

1938

VIENNA, MAY 30—(AP)—THEY WERE BREAKING UP HOUSEKEEPING TODAY AT BELVEDERE CASTLE, WHICH UNTIL SATURDAY NIGHT WAS THE HOME OF FALLEN CHANCELLOR KURT SCHUSCHNIGG.

BLONDE COUNTESS VERA FUGGER VON BABENHAUSEN, SCHUSCHNIGG'S 34-YEAR-OLD FIANCÉE, DIRECTED REMOVAL OF FURNITURE WHILE SPECULATION CENTERED ON THE WHEREABOUTS OF THE EX-CHANCELLOR.

SCHUSCHNIGG LEFT THE CASTLE SATURDAY NIGHT IN COMPANY OF GERMAN SECRET POLICE. HIS DESTINATION WAS LEARNED RELIABLY TO HAVE BEEN "SOMEWHERE NORTH."

THE COUNTESS, WHO FOLLOWED HIM SHORTLY IN ANOTHER CAR, RETURNED TODAY TO SUPERVISE THE REMOVAL OF SCHUSCHNIGG'S BELONGINGS.

SOME ANTIQUE PIECES WERE RETURNED TO NEARBY ~~SHIRAZ~~^{51 JUN 1 1938} HIRSCHBRUNN CASTLE FROM WHICH THEY HAD BEEN BORROWED. OTHER FURNITURE AND TRUNKS WERE DROPPED AT THE COUNTESS' RESIDENCE.

LATE IN THE AFTERNOON SHE LEFT THE CASTLE WITH TWO MAIDS.

MEANWHILE, VIENNA GOVERNMENT OFFICIALS WHO HAD PROMISED TO ISSUE A STATEMENT CONCERNING SCHUSCHNIGG POSTPONED PUBLICATION UNTIL TOMORROW.

BERLIN OFFICIALS INSISTED SCHUSCHNIGG HAD NOT BEEN TAKEN AWAY TO BELVEDERE.

CZECHS TO TRAIN ENTIRE NATION

Military Decree Affects All From 6 to 60.

SUDETEN PILOTS TO CONTINUE

There Is Little Optimism, However, Over Their Outcome.

1053 PED

PRAGUE, Czechoslovakia, May 31 (A.P.)—While grateful for international sympathy and assurances of support, the Czechs nevertheless are relying primarily on themselves to prevent dismemberment of this post-war republic by Germany and encircling neighbors.

Publication last night of decrees calling for compulsory military, pre-military or civil air defense training of the whole population between the ages of 6 and 60 was another step in direction of self-help.

At the same time Premier Milan Hodza's Government took measures to avoid the appearance of carrying

a chip on its shoulder. The Foreign Office informed the German Minister that Czechoslovak military pilots who flew over German territory recently had been disciplined, and that a neutral zone on this side of the border, over which Czechoslovak pilots are forbidden to fly, had been reduced to six miles.

Details of the Decree.

The compulsory military training decrees provided:

Seventy hours of military training annually for boys from 6 to 17, not in school, and ninety hours annually thereafter until they enter military service.

Forty hours first aid and air defense training for girls from 6 to 21, and thirty hours annually thereafter until the age of 30.

Men and women from 30 to 60 liable for thirty hours annually of civil air defense training.

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Authorization to military authorities to erect special training camps and provide preliminary instruction in marksmanship and advanced courses in handling all modern weapons.

Conversations to Continue.

Meanwhile, conversations designed to achieve a compromise agreement between Germans and Czechs were expected to be resumed today, with Premier Hodza receiving two Sudeten German members of Parliament.

Real optimism as to the outcome of these peace talks, however, was comparatively scarce.

Among the Sudeten Germans one hears the comment: "Hodza is a reasonable sort of man with whom one could reach a compromise, but what about his colleagues?"

And from the Czech side it was frequently conceded that Konrad Henlein, the Sudeten German party leader, is not impossible to deal with, "but he cannot approve anything unless it suits Hitler."

Another fortnight of electioneering faced the country as leaders studied the results of Sunday's balloting in preparation for the June 12 elections.

The Henlein party claimed its biggest victory to date in the Sunday municipal elections, 92.2 per cent of all German votes. This was an increase from 88 per cent in the voting the previous Sunday. Pro-Government newspapers admitted that about 85 per cent of the German vote had gone for Henlein.

Of 444,367 German votes cast in the two elections, 405,126 went to the Sudeten German party. This left more than 1,500,000 German voters to be heard from.

German minority will have been improved to the point where normal garrisons in the frontier regions will be sufficient.

At present there are no plans to extend to ground troops the six-mile border neutral zone that the Czechoslovak Government has applied to its military planes. The zone, which Czechoslovak military planes have been instructed not to enter, was designated to forestall frontier incidents.

Further conversations between Premier Milan Hodza and German minority representatives did not materialize today. It was said in official quarters that they might be resumed tomorrow.

Issues Not Changed By Poll

Neither the May 22 nor the May 29 municipal elections in which the Sudeten German (Nazi) party received

an overwhelming majority of German votes cast, altered materially the questions involved in negotiations. However, they strengthened the position of Konrad Henlein as spokesman for the German minority.

Powers of the newly elected community councils are unchanged. Police powers in the German districts remain with the Central Government at Praha, which also appoints postoffice clerks and other Government officials.

The German minority's demand for actual self-government in its own territory was one of the points on which

it was hoped a compromise might be found.

Schuschnigg Reported 'Somewhere in Vienna'

Nazi Prop. Plans to Issue Statement by Ex-Chancellor

VIENNA, May 31 (A.P.)—German officials declared today that Austria's last Chancellor, Kurt Schuschnigg, was "still somewhere in Vienna and in excellent health." Requests for permission to see him were refused, with "that's impossible." Officials admitted he no longer was in Belvedere Castle, his home until last Saturday.

Plans to issue an official statement about what would be done with the ex-Chancellor were dropped by officials on the ground that "the case is not sufficiently important." An authentic source said the case would be further investigated but that Schuschnigg was not being held as a common prisoner. He was said to be held in what the Germans call "ehrenhaft," under police supervision but permitted a certain amount of freedom.

Countess Vera Fugger von Babenhausen, Schuschnigg's fiancée under the watchful eyes of detectives supervised furniture packers at Belvedere Palace. The platinum-blond woman became very agitated when the cor-

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respondent addressed her. "Please go," she pleaded. "I am not permitted to talk."

A Nazi press official complained today he could not sleep nights because of persistent questions as to Schuschnigg's whereabouts.

NAZI PRESS RENEWS ATTACKS ON CZECHS

Reopens Campaign After Two Sudeten Germans Are Shot By Army Sergeant

War Minister And Military Head Inspect Areas Near German Border

JUN 2-1938
By the Associated Press
Berlin, June 1—The German press attacked Czechoslovakia anew tonight over a "provocative" incident at the troubled frontier town of Eger.

Eger, on Czechoslovakia's extreme western tip where the country juts far into Germany, was the scene of a cafe brawl last night in which two Sudeten Germans were wounded when a Czechoslovak army sergeant fired his revolver.

Some Nazi quarters responded with a bitter charge of "continued monstrous Czech provocations," and the Berlin press referred to the "intolerable situation" of the Sudeten Germans, a 3,500,000 German minority living in Czechoslovakia along the German border.

Seen As Drunken Brawl
In other quarters, however, the episode, one of a long series involving Czechoslovaks and Sudeten Germans in recent weeks, was viewed more calmly and was minimized as an act of "a drunken Czech."

The Berlin newspaper *Nachtausgabe*, taking a belligerent view of the new Eger incident, warned "London, Paris and Praha to note that we are keeping a record of every incident, every murder, every shooting, every provocation, and every border violation, and that some day we will present a bill of responsibility to those who, whether in Praha or other capitals, have assumed command of the Czechs."

It was at Eger that on May 21 two Sudeten Germans were killed by Czech border guards when they failed to halt at a frontier post. The incident resulted in a rush of troops to the border and an overnight European war scare.

CZECHS RECALLING TROOPS AT BORDER

JUN 1-1938 Gradual Withdrawal of Extra Men Reported in Effort to Ease Tension on Sudetens

PRAGUE, Czechoslovakia, May 31 (A.P.)—Authoritative sources said today that Czechoslovak troops were being withdrawn gradually from the German border region. An undisclosed number of technical specialists, mobilized along with other troops when Nazi-Czechoslovak troubles flared May 21, already have been recalled.

The thinning-out process is to continue in the hope that border tension will relax. It is hoped that by the time the third of a series of municipal elections has been completed June 12 the international situation and relations between Czechoslovaks and the Sudeten

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Blame Britain And France
Nachtschau accussed England and France—termed “the justices of the peace in Czechoslovakia”—as “bearing without doubt the responsibility for the untenable situation.”

The Eger affair was regarded by the paper as “proof of the systematic provocation of patrols dispatched by night to Sudeten German cities.”

Other Berlin newspapers regarded the incident as “another example” of Sudeten German discipline in a situation which might lead to “unforeseeable results.”

Czech officials were investigating the incident to learn why the sergeant was permitted away from his quarters at so late an hour. The Czech version was that the sergeant fired at the floor in self-defense, while the German view was that the Czech officer fired when two Sudeten Germans shouted “heil.”

Fortified Areas Inspected

At Praha today an official Czech statement disclosed that National Defense Minister Franz Machnik, accompanied by Inspector General Jan Syrový, of the Czech army, inspected several fortified areas and military formations from May 29 to 31, and that members of a parliamentary control commission also inspected frontier areas.

The communiqué did not disclose whether any new action would develop from these steps.

Czechoslovakia is expected to raise the period of compulsory military service from two to three years when Parliament meets June 15. This would mean that a third annual contingent of from 70,000 to 100,000 men would be added to the two contingents which form the country's present standing army.

JUN 2-1938
Says Hungary Must Speed Rearmament Program

Budapest, June 1 (AP)—Airing Hungary's grievances over the question of her minorities in Rumania, Yugoslavia and Czechoslovakia, Koloman von Kanya, Foreign Minister, told Parliament today that the Hungarian Army must be developed “at all cost” as a safeguard against aggression.

Hungary, he said, believes in friendship with Germany and Italy. He asserted the international position of these countries was much stronger than that of League of Nations adherents.

He termed it a result of the Rome-Berlin axis that League supporters are being pushed increasingly into the background.

Willing To Negotiate

As for Hungarian minorities abroad, von Kanya said Hungary was prepared to negotiate separately on the

question with the countries involved. Referring to the recent Czechoslovakian mobilization, the Foreign Minister said Hungary considered the step as nothing short of an unfriendly act, adding that “a difficult situation” was averted through “Hungarian calmness.”

Von Kanya said Hungary “has not been weakened in consequence of an ‘Anschluss,’ the union of Austria and Germany.”

JUN 2-1938
Czechs Detain English Girl, Hitler's Friend

Praha, June 1 (AP)—Driving her automobile through a military protection zone en route to Karlovy Vary, the English Miss Unity Freeman-Mitford, friend of Reichsführer Adolf Hitler of Germany, was subjected to a thorough five-hour examination by Czechoslovak authorities early this morning.

The authorities admitted temporary confinement of Miss Freeman-Mitford, confiscation of letters, three cameras and fourteen films, and a notebook.

With the foreign newspaper men accompanying her, she then was permitted to continue to Karlovy Vary, where her belongings, which had been sent to Praha, were returned.

Wore Nazi Emblems

Police explained that every automobile passing military zones automatically undergoes search. Miss Freeman-Mitford, according to reports in Praha, incurred displeasure by openly demonstrating pro-Fascist leanings and wearing Nazi swastika emblems there.

An avowed Nazi adherent, she was rescued from a mob in London April 10 because the crowd, a labor gathering, resented her swastika badge. The badge, a gift from Hitler, was lost in the scuffle.

German Press Angry.

JUN 2-1938
BERLIN, June 1 (AP).—The German press renew its angry outbursts against Czechoslovakia today as a result of a shooting affray last night at Eger, in which a Czechoslovak army sergeant, named Toman, clashed with Sudeten Germans, two of whom were wounded.

The affair brought Berlin newspaper references to an “intolerable situation” and accusations that the Czechs were systematically baiting the Nazified Sudeten Germans.

Czech officials were investigating the incident to learn why the sergeant, Wenzel Toman, was permitted away from his quarters at so late an hour. The Prague version was that Toman became involved in a row in a cafe with thirty-five Nazi followers of Konrad Henlein, Sudeten German leader. In self-defense, the Czechs said, Toman fired two pistol shots at the floor and two persons near him were wounded in the legs. Toman was arrested.

The German version was that when the cafe band played the Egerlander march, a local favorite, Toman struck the instrument from the violinist's hands. The cafe keeper told the sergeant and his companions to behave, the Germans said, whereupon there was much shaking of fists. The trouble was aggravated when two Sudeten Germans leaving the cafe saluted with the Nazi “Heil!” Thereupon, the Germans said, the sergeant fired his pistol, hitting both the departing Sudeten in the knees. Police saved him from rough reprisals. The two victims were taken to a hospital.

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CZECHS MAY ADD 70,000 TO ARMY

Parliament Expected To Raise Military Service Term To Three Years

JUN 2-1938
Two Hurt In Clash

Eger, Czechoslovakia, June 1 (AP)—Two persons were injured last night in a cafe fight between Sergt. Wenzel Toman, of the Czechoslovak army, and about thirty-five followers of Konrad Henlein, leader of Czechoslovakia's Germanic minority.

Toman was taken into custody. The injuries were caused by two shots he fired at the floor in what he said was self-defense. Both victims suffered leg wounds.

[By the Associated Press]
Praha, June 1—When the Czechoslovak Parliament meets June 15 it is expected to raise the period of compulsory military service from two years to three years.

This would mean that a third annual

contingent of from 70,000 to 100,000 men would be added to the two contingents which form the present standing army.

Although hunting for further pacification of its troubled internal and foreign situations—with a Germanic minority demanding autonomy and Germany's Reichsführer Hitler proclaiming himself “protector” of this minority—Czechoslovakia is speeding up its perfect national defense.

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Obligatory defense training courses for all the population between the ages of 6 and 60, decreed two days ago, will go into effect with the opening of the new school year in September.

Thus it is apparent that the Praha Government is framing its defense plans for a long time ahead.

However, if no new frictions with Czechoslovakia's Germanic minority or her neighbors arise, it is under-

stood that most of the troops sent into the border districts May 21 will have been withdrawn within a fortnight.

The troops were sent into those districts before the first of three series of communal elections, two of which have been completed.

[Sokol Congress Opening]

With relative calm succeeding tension of the last two weeks, Praha is turning attention to the tenth Sokol Congress, the republic's great gymnastic event. Great preparations already have been made.

Preliminary Sokol events already are under way, but the big days of the congress will be July 4, 5 and 6. Thousands of Praha homes are expecting American guests, and when the delegations from Yugoslavia, Poland and the Czechoslovakian provinces arrive there should be 2,000,000 people here.

The Czechoslovak and Insurgent Spanish governments today exchanged notes by which each agreed to name an agent general to the other.

Nazis Report New Atrocities

Accuse Czech Soldiers of Two Incidents—Hitler's Friend Is Released.

BERLIN, June 2 (AP).—Fresh reports of “atrocities” by Czechoslovak soldiers in Czechoslovakia's Sudeten German area were featured on front pages of Berlin newspapers today.

German informants said that a German named Josef Schnepp was kicked by Czechoslovak soldiers at Maehrisch-Schoenberg because he wore white stockings, part of the insignia of Konrad Henlein's Sudeten German party.

Other reports said that a couple named Exner were dragged out of bed at Niederullersdorf Sunday by soldiers for possessing a swastika flag and a portrait of Adolf Hitler.

It was also stated most of the foreign visitors were leaving the fashionable resorts of Carlsbad and Marienbad for fear of being molested by the “brutal Czech soldiers.”

The craft was reported later over the nearby border points of Bärenstein, Hammer-Oberwiesenthal and Oberwiesenthal before heading back toward Czechoslovak territory.

This latest report in a series of border violations which have been charged by both Germany and Czechoslovakia came after high Nazi political circles laid on the neighboring republic's doorstep full responsibility for peaceful solution of their differences.

Eager For Good Relations
“Of first magnitude today is that the Czechoslovaks try for cooperation with the Sudeten Germans,” these sources said.

The statement was made in connec-

slovak woman police officials while her car was searched, the upholstering cut open and the tires removed.

The troops were sent into those districts before the first of three series of communal elections, two of which have been completed.

[Sokol Congress Opening]

With relative calm succeeding tension of the last two weeks, Praha is turning attention to the tenth Sokol Congress, the republic's great gymnastic event. Great preparations already have been made.

Stronger Protest Reported

The German press learned its attacks against Czechoslovakia in night editions of morning newspapers. During the day Berlin newspapers had featured reports of “atrocities” by Czechoslovak soldiers in the Sudeten German area.

Unconfirmed reports circulated in Berlin that the German Government was preparing a “stronger” protest for presentation to Czechoslovakia because of the new incidents.

The Sudeten Germans were kept in the limelight when Chancellor Adolf Hitler received the Austrian Gen. Alfred Krauss, who led the Sudeten German Twenty-ninth Division during the World War.

Charges Nazi Leader With “High Treason”

Praha, June 2 (AP)—Vlastislav Klima, Czech National Union party member of Parliament, lodged with the State's Attorney today a charge of high treason against Konrad Henlein, leader of the Sudeten German (Nazi) party.

The charge was based on an account of an interview with Henlein by Ward Price, London Daily Mail correspondent, in which Henlein was quoted as declaring the German-Czechoslovak crisis might lead to “ruinous” war unless it were settled satisfactorily.

In high circles the charge was regarded of small importance. It was described as “election propaganda” on the part of Klima's party.

Informed quarters said that in all probability the State's Attorney would take no action on the charge because the Government undoubtedly would not agree to such a move.

Prosecution Unlikely

The chances were described as “99½ per cent. against prosecution.”

Czechoslovak officials, meanwhile, explained their version of German press reports of new “atrocities” against individuals of the nation's Sudeten German minority.

Answering a German report that a couple named Exner had been dragged out of bed at Niederullersdorf Sunday by soldiers for possessing a swastika flag, the officials said Czechoslovak soldiers “arbitrarily” entered the home of the couple and demanded the flag, but did not menace them. It added that the soldiers had been punished and the

flag returned.

Involved In Scuffle

Another reported “atrocities” officials explained by saying that whereas Czechoslovak soldiers had kicked a German because he wore Nazi insignia, in reality he was involved in a scuffle with a civilian.

Czechoslovak authorities explained as a routine inspection of all travelers passing through military defense zones the detention for five hours of Miss Unity Freeman - Milford, British friend of Chancellor Adolf Hitler, and a group of friends including one whose name was given as William F. Rueff, of Chicago.

Rueff complained to the American legation, but was told Czechoslovak officials were entitled to enforce control measures they considered necessary.

U. S. Banks Face 10% -

Washington, June 2 (AP)—The State Department said today Wilbur Carr, American Minister, had asked the Czechoslovak Foreign Office at Praha for the facts concerning the police questioning of William F. Rueff, Chicago student.

Rueff, together with Miss Unity Freeman Milford of England and two companions, was held yesterday by Czech police after they crossed the border. The four were questioned and some papers were taken from them. Carr reported that the police released the party later and that Rueff has asked the American legation to request the return of his papers.

Family Surprised

Chicago, June 2 (AP)—The family of William Rueff, 22, an art student, expressed surprise today on learning he had been questioned by Czech police at Praha on the suspicion he and his three companions were spies.

“I can't understand it,” said his mother, Mrs. Rudolph Rueff. “We are all anxiously awaiting personal word from him.”

His sister, Emma, said the young student, who went to Munich last September to continue his art studies, had never been interested in politics.

Rueff is the son of Rudolph Rueff, a chef. His family is American, of German extraction.

Churchill Seeks United Front Of Democracies

Birmingham, England, June 2 (AP)—Rebellious Tom Winston Churchill appealed today for a world-wide front to combat the “volcanic forces” of Europe's dictators.

“Kind words are of no use” with dictators, Churchill told a League of Nations union meeting here. “We and other countries stand in great danger.”

Churchill said Britain's hope was to rally “all the power of democracies

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the world over" then "persuade" the dictators to disarm.

He again deplored the resignation of former Foreign Secretary Anthony Eden from the British Cabinet because of opposition to Prime Minister Neville Chamberlain's "realistic" policy of dealing with dictators.

Calls Mussolini Bold

Premier Benito Mussolini of Italy, he conceded, was a man of historic and bold qualities above the ordinary run of human beings," but the one-time Chancellor of the Exchequer added:

"I still believe had been wed to develop his plan for 1938 with Italy."

Churchill did not mention Adolf Hitler by name, but said Germany spent over £800,000,000 (\$4,000,000,000) during four years of rearming, "with part of that gigantic effort going into Spain under the guise of intervention."

Civil Service Nazified

BERLIN, June 2 (P).—A decree published today in the official "Reichsgesetzblatt" ordered coordination of the Austrian civil service with that of Germany. Jewish or partly Jewish and politically unreliable elements are to be eliminated. The whole Austrian civil service is to be completely Nazified by December 31, 1939.

PRAHA, CZECHOSLOVAKIA, JUNE 2-(AP)-CZECHOSLOVAK AUTHORITIES

EXPLAINED TODAY THE FIVE-HOUR DETENTION OF MISS UNITY FREEMAN-MITFORD, DAUGHTER OF LORD REDESDALE OF ENGLAND AND A FRIEND OF CHANCELLOR ADOLF HITLER, WAS BUT A PART OF THE ROUTINE INSPECTION OF ALL TRAVELERS PASSING THROUGH MILITARY DEFENSE ZONES.

MISS FREEMAN-MITFORD WAS STOPPED YESTERDAY WHEN SHE DROVE THROUGH A MILITARY PROTECTION AREA EN ROUTE TO KARLOVY VARY.

HER COMPANIONS WERE AN AMERICAN WHOSE NAME WAS GIVEN AS WILLIAM F. RUIFF, OF CHICAGO, A SUDETEN GERMAN DEPUTY IN THE CZECHOSLOVAK PARLIAMENT NAMED WOELLNER AND AN UNNAMED BRITISH JOURNALIST.

ALTHOUGH MISS FREEMAN-MITFORD WAS SUBJECTED TO A THOROUGH EXAMINATION BY CZECHOSLOVAK ROAD PATROLS IN THE WEE HOURS OF THE MORNING, THE AUTHORITIES DENIED REPORTS SHE WAS SUSPECTED OF ESPIONAGE AND SAID SHE WAS NOT ARRESTED.

THEY SAID THREE CAMERAS, FOURTEEN FILMS AND A NOTEBOOK WERE CONFISCATED.

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(BERLIN REPORTS SAID HER BELONGINGS WERE RETURNED TO HER AT KARLOVY VARY.)

RUIFF, WHOSE OCCUPATION WAS NOT KNOWN HERE, COMPLAINED TO THE AMERICAN LEGATION IN PRAHA, BUT WAS TOLD CZECHOSLOVAK OFFICIALS WERE ENTITLED TO ENFORCE CONTROL MEASURES THEY CONSIDERED NECESSARY.

(MISS FREEMAN-MITFORD WAS BRUISED IN A DISTURBANCE IN LONDON'S HYDE PARK APRIL 10 WHEN AN ANTI-NAZI CROWD RESANTED HER WEARING A SWASTIKA BADGE AT A "SAVE SPAIN" RALLY. AVOWEDLY A SYMPATHIZER OF HITLER, SHE SAID THE BADGE WAS A PERSONAL GIFT FROM HIM.)

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REICH PROTESTS CZECH SEIZURE OF NAZI EMBLEM

Asserts Soldiers Took A Swastika From 2 Germans, Kicked A Third

Praha Government Ignoring Treason Charge Against Henlein

[By the Associated Press]

Praha, Czechoslovakia, June 3—Ernst Eisenlohr, German Minister to Czechoslovakia, protested sharply today to the Czech Foreign Office against new incidents in which, he said, members of Czechoslovakia's German minority were victims.

The representations were directed at the seizure of a swastika from a Sudeten German couple named Exner at Niederullersdorf Sunday by Czechoslovak soldiers, and at the alleged abuse of a German named Joseph Schnepf.

Kicked, They Say

Germans said Schnepf was kicked by Czechoslovak soldiers at Maehrisch-Schoenberg because he was wearing

Sudeten German party insignia.

Authoritative sources declared the Czechoslovak Government had no intention of making a martyr of Konrad Henlein and that charges of high treason against the Sudeten German party leader probably would be ignored.

Dodging Friction

The Government desires to avoid increased friction, it was explained.

The charge of treason was brought before the State's Attorney yesterday by Vlastislav Klima, National Union party member of Parliament, who cited an interview with Henlein by Ward Price, London Daily Mail correspondent.

Price quoted Henlein as forecasting a "ruinous war" unless Czechoslovak-Sudeten German differences were settled in a few months.

Klima A Radical

Czechs explained that Deputy Klima belongs to a radical wing of the National Union party, which suffered a severe setback in recent communal elections.

Sudeten German party officials called the action a "belated April fool joke."

They, as well as Government officials, regarded Klima's action as an effort to bolster his party.

PRAHA, CZECHOSLOVAKIA, JUNE 3-(AP)—THE CZECHOSLOVAK GOVERNMENT HAS

NO INTENTION OF MAKING A "MARTYR" OF KONRAD HENLEIN, AUTHORITATIVE CZECHS EXCLAIMED TODAY AS THEY VOICED A UNIFORM CONVICTION THE CHARGE OF HIGH TREASON AGAINST THE SUDETEN GERMAN PARTY LEADER WOULD BE SPIKED.

CIRCLES CLOSE TO THE GOVERNMENT SAID IT WOULD BE ABSURD TO START PROCEEDINGS AGAINST HENLEIN, SINCE THE STRENGTH OF HIS PARTY MUST BE CONSIDERED.

THEY ADDED THAT THE GOVERNMENT WAS DETERMINED TO AVOID FURTHER AGGRAVATION OF CZECHOSLOVAK-SUDETEN GERMAN TENSION.

IN BERLIN, WHERE SUCH TENSION HAS REPERCUSSIONS, DEUTSCHES

NUCHrichtenbuero (GERMAN OFFICIAL NEWS AGENCY), REPORTED FROM SAXONY

30.24-315

A NEW INCIDENT OF BORDER VIOLATION BY A CZECHOSLOVAK GENDARMERIE AIR-PLANE.

DNB SAID THE PLANE FLEW OVER KOENIGSWALDE, FIVE MILES FROM THE CZECHOSLOVAK BORDER, BAERENSTEIN, AND HAMMER-OBERWIESENTHAL.

THERE WERE UNCONFIRMED REPORTS BERLIN WAS PREPARING A STRONGER PROTEST TO PRAHA BECAUSE OF NEW "INCIDENTS" REPORTED IN THE PRESS THERE.

CZECHOSLOVAK OFFICIALS, ANSWERING ONE OF THESE REPORTS OF "ATROCITIES," SAID CZECHOSLOVAK SOLDIERS HAD BEEN PUNISHED FOR "ARBITRARILY" ENTERING THE HOME OF A SUMMER GERMAN COUPLE AT NIEDERULLERSDORF AND CONFISCATING A SWASTIKA FLAG. IT WAS DENIED THE COUPLE HAD BEEN MENACED.

ANOTHER GERMAN, WHO THE GERMAN PRESS CHARGED HAD BEEN KICKED BY CZECHOSLOVAK SOLDIERS FOR WEARING A NAZI EMBLEM, WAS IN REALITY ENGAGED IN A SCUFFLE WITH A CIVILIAN, OFFICIALS EXPLAINED.

Slovak Party Calls on Czechs For Autonomy

Catholic Bloc Plans Rally, Adds Its Demand to That of Sudeten Germans as Berlin Again Protests

PRAGUE, June 3 (AP).—The Slovak Catholic People's party tonight presented fresh worries to the Czechoslovak government by adding its autonomy demands to those of Konrad Henlein's Sudeten Germans.

The Slovaks raised their voice for autonomy at a party meeting held in Bratislava (Pressburg) and presided over by Father Andreas Hlinka, leader of the Slovak minority. Their program called for a Slovak legislative body in addition to the general Czechoslovak Parliament at Prague, the transfer of a part of the state executive power to a Slovak government and the creation of a supreme court of justice in Czechoslovakia.

Directors of the Slovak Catholic People's party who drafted the

program said it would be announced formally at a gigantic party demonstration to be held at Bratislava on Sunday. They said 50,000 Slovaks would demonstrate their determination for autonomy.

Of Czechoslovakia's 15,000,000 inhabitants, 2,300,000 are Slovaks, most of whom have supported the government of the dominant Czechs. Heretofore, the most vociferous minority demands for autonomy have been voiced by the Sudeten Germans, who number 3,500,000.

Dr. Peter Hlinka of Chicago, leader of an American Slovak delegation touring the country, said in an interview that while American Slovaks stood by the Czechoslovak government, at the same time a majority of them favored a Slovak autonomous program. He added he was not pleased with the results so far of talks with government authorities because the Slovaks failed to obtain assurances that the Pittsburgh treaty would be respected and sanctioned in Poland.

(The Pittsburgh pact, signed June 30, 1918, was an agreement between Czech and Slovak societies in the United States to the principles that Czechoslovakia, whose independence then had not been proclaimed, should grant "cultural self-government" to Slovaks—Slovak schools, language and administration. The

Hlinka delegation brought the agreement to be exhibited during celebrations of the twentieth anniversary of the republic's birth next October 28.)

Political circles here believed the Sudeten German minority would make demands during its negotiations with the government over-reaching the limit set by Czechoslovak government leaders. The government has declared its determination to keep intact the democratic form of government and the nation's present foreign policy.

Meanwhile, the chances of the Sudeten and the Czechoslovak government seeing eye to eye on their problems—for the present at least—were viewed pessimistically in some political quarters.

The situation was further clouded when Ernst Eisenlohr, German Minister to Czechoslovakia, protested sharply to the Foreign Office against fresh border incidents. He made representations against the seizure of a swastika, the Nazi emblem, from a Sudeten German couple at Niederullersdorf on Sunday by Czechoslovak soldiers, and the alleged ill treatment of another German.

XMAS SAED

Fourth Nazi Protest Is Forecast In Berlin

Berlin, June 3 (AP)—Germany protested to Czechoslovakia today for the third time in two weeks over alleged actions against her interests in the neighboring republic.

While Praha's answer was awaited, there were reports a fourth protest was being drafted—dealing with the reported flight last night of a Czechoslovak police plane over German territory.

Today's representations to the Czechoslovak Foreign Office by Ernst Eisenlohr, German Minister to Praha, were directed against alleged mis-handling of persons in Czechoslovakia.

Objected To White Stockings

In one incident a German named Joseph Schnepp was reported kicked by Czechoslovak soldiers at Mährisch-Schönberg because he wore white stockings, part of the insignia of Konrad Henlein's Sudeten German party.

In another, a Sudeten German couple named Exner at Niederullersdorf was said to have been dragged out of bed Sunday by soldiers for possessing a swastika flag and a portrait of Adolf Hitler.

The tone of the press indicated the importance attached to Germany's action.

Berlin Paper Urges Action
The Berliner Tageblatt cited the protest as "an example to the world of the seriousness of the circumstances existing in Czechoslovakia."

"It compels all interested in the European atmosphere to take notice. It permits no one any longer to falsify this affair, to trifly with it or, especially, to ignore it."

After the ceremony she told a friend she expected her husband to join her soon in the small apartment she took today in downtown Vienna.

Permitted by Church

She told the friend she and her husband were "poor." To save expense she moved her trunks and other household belongings with her in a taxi.

Both had been married before. The first marriage of the countess, mother of four children, was annulled by the Vatican on December 16, 1937, for reasons not given. Schuschnigg's first wife was killed in an automobile accident in 1935, leaving him one son.

Major General Arthur von Schuschnigg, the former Chancellor's father, was witness for the bride, and the bridegroom's witness was the sacristan of the church.

The bride was said to have worn a navy-blue costume and a dark blue hat with a short veil, and to have carried a bouquet of yellow roses, supposedly the gift of Schuschnigg.

Believed at Hotel
The only wedding guests besides the witnesses, it was said, were two maids who had been confined to Belvedere Castle with Schuschnigg before he was taken away by the state police.

Moves Into Apartment

Today, it was believed, even she did not know where her husband was being held. It is reported she received a letter from the bridegroom, dated only "Vienna," which said: "By this time we should be man and wife. This makes me extremely happy. A thousand kisses. Kurt."

After the ceremony she told a friend she expected her husband to join her soon in the small apartment she took today in downtown Vienna.

THERE WAS NO HINT IN PRAHA OF THE CZECHOSLOVAK GOVERNMENT'S REACTION TO THE MOVE.

PRAHA AT THE SAME TIME TOOK NO OFFICIAL NOTICE OF TREASON CHARGES BROUGHT BEFORE THE STATE ATTORNEY AGAINST HENLEIN BY VLASTISLAV KLIMA, CZECH NATIONAL UNION PARTY MEMBER OF PARLIAMENT.

WARD PRICE, LONDON DAILY MAIL CORRESPONDENT, IN WHICH THE SUDETEN GERMAN LEADER WAS QUOTED AS FORECASTING A "RUINOUS WAR" UNLESS CZECHOSLOVAKIA'S TROUBLE WITH HER SUDETEN GERMAN MINORITY WERE SETTLED BY AUTUMN.

ognizes marriages in which one of the principals is represented by a proxy, provided the commission or mandate from the principal is properly executed and carried out as specified in the mandate itself. The mandate must be witnessed by two persons and by the priest of the parish where it is executed.

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DISPATCHES FROM VIENNA MAY 20 SAID THE COUNTESS AND SCHUSCHNIGG HAD BECOME ENGAGED IMMEDIATELY AFTER THE UNION OF AUSTRIA AND GERMANY MARCH 13.

SHE VISITED HIM DAILY WHILE HE WAS DETAINED AT BELVEDERE PALACE, WHERE HE REMAINED UNTIL LAST SATURDAY, WHEN HE WAS REMOVED TO AN UNDISCLOSED PLACE.

SCHUSCHNIGG WAS SAID FIRST TO HAVE BEEN ATTRACTED TO THE COUNTESS' HOME BY HER MUSICAL ABILITY SHORTLY AFTER HIS WIFE'S DEATH.

LATER SHE WAS SAID TO HAVE TAKEN THE DEAD MOTHER'S PLACE IN CARING FOR SCHUSCHNIGG'S SON, NOW STUDYING AT KALKSBURG SEMINARY NEAR VIENNA.

ROMAN CATHOLIC CANON LAW RECOGNIZES MARRIAGES IN WHICH ONE OF THE PRINCIPALS IS REPRESENTED BY A PROXY, PROVIDED THE COMMISSION OR MANDATE FROM THE ABSENTEE IS PROPERLY EXECUTED AND THE MARRIAGE IS CARRIED OUT AS SPECIFIED IN THE MANDATE.

THE MANDATE MUST BE IN WRITING AND MUST NAME TWO PERSONS TO WITNESS THE CEREMONY AND NAME THE OTHER PARTY TO THE MARRIAGE. THE MANDATE ITSELF MUST BE WITNESSED BY TWO PERSONS AND BY THE PRIEST OF THE PARISH WHERE IT IS EXECUTED.

HF131PED

AN AUSTRIAN CATHOLIC PRIEST SAID PROXY MARRIAGES TAKE PLACE FREQUENTLY. HE ADDED THAT RECENTLY HE HAD MARRIED AN

ENGLISHWOMAN IN VIENNA TO A MAN IN CHINA.

Schuschnigg Wed In Proxy Service

VIENNA, June 3 (P).—The marriage of Kurt Schuschnigg, former Chancellor of Austria, and Countess Vera Fugger von Babenhausen, with the absent bridegroom represented by his brother as proxy, was reported today by a usually reliable informant.

The marriage, this source said, took place at 2 P.M. today in the private chapel of the Dominican church in Vienna's downtown section.

Dr. Arthur Schuschnigg took the place of his brother, detained by the Nazi authorities since Germany's absorption of Austria March 13.

The informant said the witness for the thirty-four-year-old countess, considered one of the most

beautiful women of Vienna, was the ex-Chancellor's father, Major General Arthur von Schuschnigg. The bridegroom's witness was the sacristan of the church.

The forty-year-old Schuschnigg was a widower, his first wife having been killed in an automobile accident in 1935.

Gets Letter From Husband

Schuschnigg disappeared May 28 from Belvedere Castle in Vienna,

his home in detention since Austria's annexation, but the authorities have insisted he was still "somewhere in Vienna."

It was believed the Countess did not know where Schuschnigg was. But today, it was reported, she received a letter from the bridegroom simply dated Vienna, which said:

"By this time we should be man and wife. This makes me extremely happy. A thousand kisses. Kurt."

It was understood the bride's former marriage was annulled by the Vatican on December 16, 1937, for reasons not given.

In Vienna Catholic circles it was acknowledged that this was a rare case, in which the mother of four children was freed from her marriage ties.

The bride took a small apartment today in Vienna's downtown section. To save expenses she moved her trunks and other household goods with her in a taxi.

She told a friend that she and her husband were "poor" and that she expected he would join her soon in their new home.

Engaged at Anschluss Time

Dispatches from Vienna May 20 said the countess and Schuschnigg had become engaged immediately after the union of Austria and Germany.

She visited him daily while he was detained at Belvedere Palace, where he remained until last Saturday, when he was removed to an undisclosed place.

Schuschnigg was said first to have been attracted to the countess' home by her musical ability shortly after his wife's death.

Later she was said to have taken the dead mother's place in caring for Schuschnigg's son, now studying at Kalksburg Seminary near Vienna.

Roman Catholic canon law recognizes marriages in which one of the principals is represented by a proxy, provided the commission or mandate from the absentee is properly executed and the marriage is carried out as specified in the mandate.

The mandate must be in writing and must name two persons to witness the ceremony and name the other party to the marriage. The mandate itself must be witnessed by two persons and by the priest of the parish where it is executed.

The bride was said to have worn a navy blue costume and a dark blue hat with a short veil and to have

Vienna, June 3—Kurt Schuschnigg, former Chancellor of Austria whose fate at the hands of his Nazi captors still is uncertain, was married to Countess Vera Fugger von Babenhausen today at a ceremony he could not even attend.

Dr. Arthur Schuschnigg, his brother, took the place of the former Chancellor as proxy at the wedding in the private chapel of the Dominican Church.

Schuschnigg, champion of Austria's lost independence and a foe of Nazism, has been detained by the Nazi authorities since Germany annexed Austria March 13.

Disappeared From Home May 28

He disappeared May 28 from Belvedere Castle, his home in detention, but authorities have insisted he still was "somewhere in Vienna."

His platinum-blond bride is 34 and is considered one of the most beautiful women of Vienna. She was his daily companion at Belvedere Castle until his removal last Saturday to an undisclosed place.

But today, it was believed, even she did not know where her husband was being held. It was reported she received a letter from the bridegroom, dated only Vienna, which said:

"By this time we should be man and wife. This makes me extremely happy. A thousand kisses. Kurt."

After the ceremony she told a friend she expected her husband soon would join her in the small apartment she took today in downtown Vienna.

She told the friend she and her husband were "poor." To save expenses she moved her trunks and other household belongings with her in a taxi.

Both had been married before. The first marriage of the Countess, mother of four children, was annulled. Schuschnigg's first wife died, leaving him one son.

Maj. Gen. Arthur von Schuschnigg, the former Chancellor's father, was witness for the bride and the bridegroom's witness was the sacristan of the church.

The bride was said to have worn a navy blue costume and a dark blue hat with a short veil and to have

carried a bouquet of yellow roses, supposedly the gift of Schuschnigg.

Two Maids Are Guests
The only wedding guests beside the witnesses, it was said, were two maids who had been confined to Belvedere Castle with Schuschnigg before he was taken away by the state police.

A usually reliable source said today that the former Chancellor was held in the Vienna headquarters of the Gestapo (state police) in the former Metropole Hotel, supposedly in comfort in a suite of his own.

This informant said Schuschnigg was under examination, the outcome of which probably would decide his future, and was believed to be receiving courteous treatment.

Responsible Government officials differed widely in their opinions as to what Schuschnigg's fate might be.

A high Nazi official demanded that the former Chancellor be tried for high treason. A leader of the formerly illegal Austrian Nazi Storm Troops urged that Schuschnigg be held responsible for the execution of Nazis convicted in the abortive putsch in which former Chancellor Engelbert Dollfuss was assassinated, July 25, 1934.

One Austrian Nazi Minister, however, said he believed Chancellor Adolf Hitler might drop the case after the police investigation is completed and free Schuschnigg.

CZECHS APOLOGIZE IN BORDER CLASHES

Envoy Tells Germany Those Responsible Are Arrested And Face Punishment

[By the Associated Press]
Praha, Czechoslovakia, June 4—In response to a German protest, Foreign Minister Kamil Krofta today expressed the Czechoslovak Government's regret at new incidents in which members of the Germanic minority were victims.

Ernest Eiserlohr, German Minister to Praha, protested yesterday over seizure of a Nazi emblem from a Sudeten couple at Niederullersdorf Sunday by Czechoslovak soldiers. He also objected to the alleged mistreatment of a German at Maehrisch-Schoenberg.

Says They'll Be Punished
The Foreign Minister assured Eiserlohr that those responsible for the in-

Schuschnigg's Bride Says They Will Be Together Soon

Countess, Married By Proxy To Former Chancellor Of Austria, Takes Small Apartment In Vienna

30.24-
[By the Associated Press]

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idents had been arrested and all involved would be punished.

The protest and apology was another in the series registered since German-Czechoslovak relations became strained over the demands of Czechoslovakia's German minority for autonomy and closer relations with Nazi Germany.

PRAHA WILL STUDY MINORITY DEMANDS

Officials To Sound Sentiment Of Various Groups And Draft Program

Czechs Express Regret To Berlin Over Incidents Involving Sudeten Germans

[By the Associated Press] Praha, June 4—Official sources said tonight the Czechoslovak Government next week would sound the sentiments of each of the republic's national minorities and political parties as a basis for a law to quiet their demands.

The disclosure came as statesmen temporarily shelved worries over the vociferous pro-Nazi Sudeten Germans to consider autonomy demands of the country's 2,300,000 Slovaks.

Premier Milan Hodza, it was said, would begin negotiations with representatives of minorities and political party delegates before putting into definite form his roughly drafted minorities statute.

To Stump Slovak Areas

The Premier also scheduled a stump-speaking tour of Slovak districts for the Whitsun holiday. His itinerary included an address Monday at Bratislava, where Slovaks met in a party rally today.

Under the presidency of venerable Father Andreas Hlinka, leader of the Slovak People's party, the rally had before it a detailed draft of a program for autonomy.

The Slovak problem lacked the international aspect of the Sudeten German issue, which has kept Europe's statesmen alert in fear of war. Today, in response to a German protest, Kamil Krofta expressed his Government's regret over recent incidents in which Sudeten Germans were victims.

Promises Punishment

Krofta assured Ernst Eisenlohr, German Minister, that those responsible would be punished. The incidents included seizure of a Nazi emblem from a Sudeten German couple at Niederruersdorf by Czechoslovak soldiers and alleged mistreatment of a German at Maehrisch-Schoenberg.

The Slovak issue, although breeding no such trouble as that between Germany and Czechoslovakia, raised difficult problems. Praha, for instance, is expected to show stiff opposition to the Slovaks' demand that only Slovak troops, under Slovak command, be stationed in Slovakia.

Other points of the Slovak autonomy draft program, which was read to the Bratislava meeting today, were believed capable of comparatively easy discussion.

Demand Own Courts

These include a demand that the Slovaks have their own courts of justice and that the Slovak language be officially recognized in the courts and in the schools.

Another demand is that mining and ore refining plants, health resorts and other property in Slovak territory but controlled by Czechs, be placed under Slovak administration.

The Slovaks demand further that the Praha Parliament no longer have the power of promulgating laws affecting Slovakia unless they are approved by a majority of a proposed Slovak Diet.

They also seek to have all executive posts in Slovakia given to Slovaks.

Others Back Slovaks

Other autonomy-seeking groups in Czechoslovakia sent messages of greeting to the Slovak meeting, including the Sudeten Germans, the Carpatho-Russians, the Hungarians and the Poles.

Tomorrow the full draft of the Slovak autonomy scheme will be read before a plenary session of the Congress.

UMBERTO IS HAILED ON VISIT TO TYROL

Crown Prince And Princess Acclaimed In Former Austrian Section

Tour Is Designed To Show Italian Sentiment In Border Area

[Associated Press]

Bolzano, Italy, June 4.—The Italian Tyrol acclaimed Crown Prince Umberto and Crown Princess Maria Jose today in an official welcome designed to show that this region, despite its Teutonic population, is Italian in sentiment.

The Slovaks demand further that the Praha Parliament no longer have the power of promulgating laws affecting Slovakia unless they are approved by a majority of a proposed Slovak Diet.

They also seek to have all executive posts in Slovakia given to Slovaks.

Others Back Slovaks

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Assured By Hitler

Premier Benito Mussolini has been

assured by Reichsführer Adolf Hitler of Germany that the Nazis' southern border is the Brenner Pass, gateway in the Alpine line providing a naturally fortified boundary between Italy and the newly expanded Germany.

But Il Duce, in giving his benediction to Germany's push to Italy's northern border, told his countrymen "Our frontiers are sacred—we will not discuss them, we will defend them," and since he has given renewed assurance to the Italian Tyrol.

250,000 Of German Blood

There are 250,000 persons of German blood living in Italy's Tyrol, acquired from Austria after the World War.

Il Duce, to use his own words, is "hermetically sealing" the Alpine passes so they will be "impassable." With this mechanical operation, Mussolini also is keeping an eye on his Tyroleans and a finger on their pulse.

Today's visit of the Crown Prince and his wife followed by less than two weeks a visit by Achille Starace, secretary of the Fascist party, who paid tribute to the Tyroleans who died in the Ethiopian and Spanish wars.

Monument Is Unveiled

The royal couple drove through Bolzano's main square and the principal streets to the acclaim of crowds. Their schedule included the unveiling of a monument in Merano to the Fifth Regiment of Alpinists.

Tomorrow in Bolzano they will inaugurate a Roman column to the memory of Tyroleans who died in Ethiopia, and on Monday they will dedicate a monument to the Alpinists of the "Val Pusteria" division.

Assured By Hitler

Premier Benito Mussolini has been

AT TODAY'S SESSION AN AMERICAN SLOVAK DELEGATION

HEADED BY PETER HLETKO, OF CHICAGO, WAS RECEIVED WITH APPLAUSE. THE

ENTIRE ASSEMBLY ROSE AND STOOD BAREHEADED TO LISTEN REVERENTLY TO A

SOLEMN READING OF THE PITTSBURGH TREATY.

(THE PITTSBURGH TREATY, SIGNED JUNE 30, 1918,

WAS AN AGREEMENT BETWEEN CZECH AND SLOVAK GROUPS IN THE UNITED STATES

SETTING FORTH THE PRINCIPLE THAT CZECHOSLOVAKIA, WHICH WAS THEN BEING

FORMED, SHOULD GRANT "CULTURAL SELF-GOVERNMENT" TO SLOVAKS.)

Freud Quits Vienna; Bound To New York Via London

Psychologist Takes Life Works With Him, Indicating He Won't Return—Newspaper Charges Jewish Physicians Boycott

[By the Associated Press]

Vienna, June 4—Prof. Sigmund Freud, 82-year-old "father of psychoanalysis," left Vienna by train yesterday telling friends he intended to go to London and later to New York.

He carried with him manuscripts and books comprising his life work, indicating he did not plan to return. He had been reported planning to leave ever since Germany absorbed Austria March 13.

Says It Opposed Reich

Vienna's official Nazi organ, *Volksischer Beobachter*, in reporting his departure, did not mention his name, but referred to the Freudian psychoanalytic school as a "pornographic Jewish specialty."

"The Vienna psychoanalytic school,"

it said, "was actually a center against the Reich during the previous regime."

The newspaper charged that Jewish physicians boycotted German medical students "even when there was no sub-

stance for them." It stated that of 3,268

physicians in Vienna, eighty per cent

were Jewish or half Jewish.

Denies School Suffers

Meanwhile Prof. Lorenz Boehler, head of the Vienna Workers' Hospital, denied reports that the efficiency of the popular Vienna Medical School had suffered by faculty changes since Anschluss.

"Only a few prominent non-Aryan physicians have been replaced in Austrian clinics and schools," he said.

The newspaper *Solsburger Volksblatt* reported police had confiscated the estate of the Jewish composer, Wolfgang Erich Korngold, because of "numerous debts, including a bill which he owes his own physician." Korngold was believed to be in the United States.

Friends of Dr. Freud said he had rented a large London house and intended to continue work in exile on a book about the Bible, according to dispatches from London.

His son, Ernst Freud, a London architect, flew to Paris today to meet him.

Freud was allowed to bring little more than books with him.

FREUD QUIL VIENNA FOR LONDON HAVEN

Nazis Finally Allow Aged Scientist To Leave Austria

For Exile

Friends Say He Is Penniless To Complete Psychoanalysis Of Bible

[By the Associated Press]

London, June 4—Sigmund Freud, world-famed founder of psychoanalysis, is coming to London from Nazified Vienna, determined at the age

of 82 to complete his psychoanalysis of the Bible.

Friends said he was virtually penniless and "had a great shock" with Germany's absorption of Austria. Ever since the Anschluss of March 13, they said, he has remained in the seclusion of his Vienna home, "dreading insults if he emerged—because he is a Jew."

In a rented house in London's district of Chelsea, Freud intends to live with his daughter Anna and work on his partly completed Biblical analysis. This, it was said, explains "the subconscious wishes and fears of the people" of Biblical times. Chapters on Moses already are in proof form.

Leaves Vienna

FEARFUL OF DIFFICULTIES IN GETTING ACROSS THE FRONTIER.

JUN 4 1938
HE HAD TIME TO BE OUT OF THE COUNTRY.
HIS DAUGHTER ANNA ACCOMPANIED HIM.

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Freud left a Vienna which had been his home since childhood, a city which he helped make famous as a center of modern scientific thought and which, ironically, had ceremoniously honored him with his "freedom."

Friends here doubted Vienna reports that he might go to New York, stating he probably would remain in England because of his age.

He left Austrian Germany to the accompaniment of Nazi press attacks against his work. Brief notices of his departure today omitted his name and referred to his famed psychoanalytic school as a pornographic Jewish specialty.

JUN - 1938
All Money Confiscated

Freud's publishing house and "all his money" were confiscated, and although he was permitted to keep his own library, all new books in his Vienna publishing office were destroyed, friends said.

His health was reported improving now after recovering somewhat from the "shock" of Anschluss.

Freud left Vienna imploring journalists not to write of his departure until he had crossed the German border, fearing difficulties.

He was wheeled in an armchair to his train compartment by his daughter Anna. With him were suitcases and boxes containing manuscripts and books representing his life's work. Only a few women friends were at the Westbahn Station to bid him farewell.

To Be Met By Son In Paris

He is due in Paris early tomorrow afternoon and will be met by his son Ernst, an architect, who left London today.

After a few days' rest in France Freud and his son will come to London Wednesday or Thursday.

Ernst, who lives in London, has been in almost daily touch with his father by telephone since the Austro-German Anschluss. The scientist's passport was seized by Nazi authorities March 22 and was not returned until today. The departure was arranged immediately.

Born of Jewish extraction in Freiberg, Austro-Hungary, in 1856, Freud was taken to Vienna at the age of 4 and lived there until today.

Praised At 70 Years

On his seventieth birthday he received laudatory congratulations from scientists and scientific bodies throughout the world, and was accorded "the freedom of the city of Vienna."

Today's German press attacks reflected the official atmosphere of the Nazified Vienna.

"The Vienna psychoanalytic school was actually a center against the Reich during the previous regime," stated the newspaper *Völkischer Beobachter*, official Nazi organ.

The paper charged that Jewish physicians in Vienna before Anschluss boycotted German medicaments "even modern scientific thought and which, when there was no substitute for them."

SLOVAK PEASANTS DEMAND AUTONOMY

Self-Ruling State Within the Czech Republic Urged— Crowd Boos Mention of Hodza

By The Associated Press.

BRATISLAVA, Czechoslovakia, June 5.—Slovak peasants shouted demands for autonomy today as they marched through the streets of Bratislava with a great show of blue banners.

Behind thousands of banner-bearers and with dozens of brass bands, led by Father Andrej Hlinka, leader of the Slovak autonomist movement, rallied in the square in front of the municipal theatre.

There, on the spot where Bratislava's first theatre was built in 1776, Father Hlinka came on the theatre balcony to reiterate the demands of the country's 2,300,000 Slovaks for fulfillment of the Pittsburgh treaty and its guarantee of Slovak autonomy.

[The Pittsburgh treaty, signed June 30, 1918, was an agreement between Czech and Slovak groups in the United States setting forth the principle that Czechoslovakia, then being formed, should grant "cultural self-government" to Slovaks.]

Reads Proposed Bill

"Slovaks never will rest," Father Hlinka said, "until the fulfillment of the Pittsburgh treaty, which to us is a sacred document."

He wore priestly attire and stood midway between an American flag and a new Slovak autonomist banner.

While church bells tolled, the priest read the draft of a proposed bill establishing Slovakia as an autonomous State within the Czechoslovak republic.

The Slovaks are urging action at a time when another section of the population, the Sudeten Germans, is pressing its demands for autonomy and the government is wrestling with a nationalities statute designed to settle its minority difficulties.

The bill proposed by the Slovaks would recognize:

1. Slovak land as an autonomous part of the Czechoslovak Republic.
2. The Slovak language as the official school language in Slovak districts.
3. Introduction of national Slovak citizenship in Slovak territory with which citizenship in the republic would be acquired automatically.
4. The basis of self-government is a Slovak government that would choose its own national administration, legislate on questions of state, citizenship, emigration, shipping, air travel, posts, taxes, customs duties, State monopolies and State industries.

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"Prague and Czechoslovakia are with us and not with those holding demonstrations elsewhere," he said. "Enemies of our state and of Slovakia look upon these Bratislava demonstrations as the first sign of impending collapse of our democratic Czechoslovak homeland. For this, we Slovaks have come to Prague to tell our Czech brethren that no treachery and no violence shall separate us. Czechs and Slovaks are united forever and we shall suffer no one to destroy this unity."

BRATISLAVA—ADD SLOVAK XXX PITTSBURGH TREATY.

AN AMERICAN SLOVAK DELEGATION WHICH IS ON A TOUR OF THE COUNTRY

ATTENDED THE RALLY.

THE DELEGATION, HEADED BY DR. PETER HLETKO OF CHICAGO, BROUGHT THE PITTSBURGH TREATY TO CZECHOSLOVAKIA FOR EXHIBITION AT THE REPUBLIC'S 20TH ANNIVERSARY CELEBRATION NEXT OCTOBER 28.

FATHER HLINKA MADE FREQUENT REFERENCES TO AMERICAN DEMOCRACY AND THE VISITORS FROM THAT COUNTRY.

AN ENTHUSIASTIC SPOKESMAN ESTIMATED 120,000 SLOVAKS PARTICIPATED IN TODAY'S DEMONSTRATION, EITHER AS SPECTATORS OR MARCHERS IN A PARADE PRECEDING THE SPEAKING PROGRAM.

MORE CONSERVATIVE OBSERVERS ESTIMATED THERE WERE ABOUT 30,000 MEN, WOMEN AND CHILDREN IN THE PARADE, WITH AN UNDETERMINED NUMBER ON THE SIDELINES.

SUPPORTERS OF THE PRAHA GOVERNMENT INSISTED THAT FATHER HLINKA AND HIS AUTONOMISTS REPRESENT ONLY A MINORITY AMONG THE SLOVAKS.

"YOU DID NOT COME JUST TO MAKE A NOISY DEMONSTRATION, YOU DID NOT COME TO MAKE THIS REGION RIPE FOR WAR, BUT FOR AUTONOMY AND PEACE WHICH FOLLOWS AUTONOMY," THE AGED SLOVAK LEADER TOLD HIS AUDIENCE.

LATER FATHER HLINKA TOLD NEWSPAPERmen CZECHOSLOVAKIA'S MUTUAL ASSISTANCE PACT WITH SOVIET RUSSIA MUST BE CANCELLED.

HE DECLARED THAT WHEN SLOVAKS OBTAIN AUTONOMY THEY WOULD CURB JEWISH INFLUENCE IN THE NATION BY A LAW LIMITING THE PERCENTAGE OF JEWS IN PROFESSIONS AND TRADES.

HUGO SPED

30.24 — 319

WHILE THE CELEBRATION WAS UNDER WAY A REPORT CAME FROM PRAGUE, NEAR THE GERMAN FRONTIER, THAT POLICE BROKE UP A PROCESSION STAGED BY 300 FOLLOWERS OF KONRAD HENLEIN, CHIEFTAIN OF THE SUDETEN GERMAN MINORITY. LEADERS OF THE DISPERSED GROUP SAID ONE OF THEIR MEN WAS HURT SERIOUSLY AND THAT 15 OTHERS WERE INJURED SLIGHTLY BY POLICE NIGHTSTICKS.

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A POLICE MEDICAL OFFICER SAID, HOWEVER, THE INJURIES WERE NO WORSE THAN A BRUISED HEAD OR SLIGHT SKIN ABRASIONS.

A1914PDR

Freud Proceeds To London After Resting in Paris

Greeted by Bullitt at Station, He Says Nazis Left Him 'Some Things to Work On'; Property, Cash Gone

PARIS, June 6.—Dr. Sigmund Freud, happy to have left Vienna, now Nazified, but the city where he pioneered in studies of the influence of sex on behavior, departed tonight from Paris on the way to England and "peace, study and work." The world-famed founder of psychoanalysis remained only a few hours in Paris, resting for the remainder of his journey from his native land to a new home.

"I am looking forward to my future life with my students, my books and my studies in England," he told friends in a weak voice as he left them at the Nord station here.

Leaning heavily on the arm of his son, Ernst, a London architect, Dr. Freud said: "They let me bring some things out of Austria—just enough to work with, I still have my manuscript on the Bible and my own personal books and papers. Everything else—all my money and property in Vienna—is gone."

The manuscript he referred to is an uncompleted work analyzing the Bible in psycho-analytic terms.

The scientist, now eighty-two years old, hesitated a moment as he spoke of his homeland.

"I loved Vienna," he said finally, "but now that's behind me."

With Dr. Freud were his wife and their daughter, Anna, who came with him from Vienna; his son and a nephew, Harry Freud. They departed for Dunkerque to take a boat to England.

The Jewish scientist was tired, but in excellent spirits, when he arrived in Paris this morning from

Vienna, which he left suddenly yesterday.

William C. Bullitt, American Ambassador to France, was one of the first to board the train to greet him. A slight figure dressed in gray, Dr. Freud leaned heavily on Ambassador Bullitt's arm as he waved aside a wheelbarrow prepared for him. He insisted on walking the length of the station to an automobile.

Dr. Freud expressed surprise that the American Ambassador was meeting him on his flight from the Nazi Nazis in his home since childhood.

"But, sir," Ambassador Bullitt replied, "aside from our friendship, it is only the respect due a person of your distinction."

Dr. Freud's clothes hung on him loosely, and his clear, deep-set blue eyes accentuated the pallor of his face. While here, he rested at the home of a friend, Princess George of Greece, who was among those greeting him at the station.

Hodza Rejects Slovak Demand For Autonomy

Czech Premier Says Hlinka Speaks Only for Faction; 30,000 Hear of New Law Draft

JUN 7 - 1938

By The Associated Press

BRATISLAVA, Czechoslovakia, June 6.—Premier Milan Hodza voiced a firm but polite stand today against the autonomy clamor among members of Czechoslovakia's Slovak population.

The Premier, himself a Slovak, unfolded his views in a speech here from the same balcony on which Father Andreas Hlinka, leader of the Slovak autonomists, stood yesterday to state its demands.

"This is a democracy, and we have to listen to the complaints of

the minority," Hodza told his cheering supporters at a rally in the heart of the Slovak region. "But, in spite of these complaints, I am convinced all Slovaks are really loyal to the republic."

After Hodza finished his speech it was disclosed he had prepared not only a new nationalities statute which he hoped would satisfy the Sudeten Germans and other minorities, but also a new Czech-Slovak agreement granting more extensive rights of self-government to Slovaks.

The nationalities bill has been in preparation since the Sudeten German party of Konrad Henlein put forward autonomy demands for the 3,500,000 Germans in this country.

Reviewing the program of the Hlinka movement, Hodza told the crowd, which packed Bratislava's public square, that he denied the aged Catholic churchman's claims that he and his followers in the Slovak Catholic People's party spoke for all of the republic's Slovak minority of 2,300,000 persons. "They can speak only for their party, and your presence here is the best answer to what was said here yesterday," the Premier said. "We are solid and unshakable as a rock. We will not permit any one to destroy our republic."

"You and I have been loyal to each other until now, and we will continue to be loyal forever."

"It is true that black clouds hang over the republic today. You have gathered here at a time when we must ask ourselves whether we are capable of maintaining our independence."

Here he was interrupted by shouts of "We are! We are!"

"There have been moments," the Premier continued, "when it was doubtful whether we could maintain order within our boundaries—whether we could show ourselves worthy of our independence. We are a calm people, but when the moment comes we can show that we fear nothing and nobody. Our peoples are heroic not only in patience but also in determination."

This has been recognized by the great democracies of Britain, France

and the United States."

Slovak from U. S. Speaks

Far from showing any ill-will toward the delegation of American Slovaks, which has injected the 1918 Pittsburgh treaty into the nation's already delicate minority problem, Hodza invited their leader, Peter Hletko, of Chicago, to speak.

Hletko took the rostrum and expressed hope for continuance of the Czechoslovak republic. He said: "Greetings from the Slovaks in America, who carry the welfare of

the Czechoslovakian republic in their hearts, who pray for your independence and are willing to help. We earnestly hope you can protect your republic and remain good Slovaks within the confines of that republic."

The Pittsburgh treaty between the Czechs and Slovaks, which Hodza's delegation brought to Bratislava, embodies the principle of "cultural self-government" for the latter.

Little Police Protection

The Premier came to this city, which is only a ten-minute automobile ride from the border of Nazi Germany, without noticeable police protection. The principal diversion of police mingling with the estimated crowd of 30,000 to 50,000 seemed to be recapturing women's hats blown off by the wind.

In contrast to the Hlinka followers, who came predominantly from rural districts, Hodza's supporters seemed younger and more demonstrative. Tramping through the streets they chanted "Hodza!" and "Benes!" (President Eduard

Benes of Czechoslovakia). There were derisive chants of "Hitler and Hlinka, they're all the same!"

Numerous horse-drawn floats were in the line of march. On one of them was a young Slovak thrusting his spear into the imperial Hapsburg eagle. Another represented soldiers in gas masks with fixed bayonets guarding the emblem of the republic.

Hodza in Reply

BRATISLAVA, Czechoslovakia, June 6 (A. P.).—In a ringing speech, cheered by a great crowd, Premier Milan Hodza today repudiated the claim of Father Andreas Hlinka and his Slovakian autonomist followers to speak in the name of this republic's Slovakian minority.

"They can speak only for their party," declared the Premier, himself a Slovak, "and your presence here"—waving his arm toward the cheering crowd—"is the best answer to what they said here yesterday."

"We of the Republic declare to the world that we are carrying on, we are solid and unshakable as a rock. We will not permit any one to destroy our Republic."

Premier Hodza threw the whole weight of his influence into efforts to solve dangerous problems arising from the demands of Father Hlinka's group for Slovakian autonomy, another disruptive factor added to the autonomy agi-

tations carried on by Germanic, Polish and Hungarian minorities.

Pleads for Unity

The Premier arrived amid echoes of a hostile demonstration yesterday by the Hlinka party, seeking to answer the autonomists' display by a more powerful one for Czechoslovak unity. Wearing a light gray suit and gray felt hat, Hodza spoke with great earnestness. There was dignity and assurance in his tones and determination in every gesture.

"You and I have been loyal to each other until now," the Premier told his hearers, and we will continue to be loyal forever.

"It is true that black clouds hang over the republic today. You have gathered here at a time when we must ask ourselves whether we are capable of maintaining our independence."

Here he was interrupted by shouts of "We are! We are!"

"There were moments," the Premier continued, when it was doubtful whether we could maintain order within our boundaries—whether we could show ourselves worthy of our independence. We are a calm people, but when the moment comes we can show that we fear nothing and nobody. Our peoples are heroic not only in patience but also in determination. This has been recognized by the great democracies of Britain, France and the United States,

Little Police Protection

An American Slovak delegation, which brought the Pittsburgh treaty, watched the autonomists raise their hands and pledge loyalty to it. Father Hlinka repeatedly referred to American democracy and the American visitors.

After the rally Father Hlinka said Czechoslovakia's mutual assistance pact with Soviet Russia must be canceled. He also declared that Slovaks, when they obtain autonomy, would curb Jewish influence in the nation by a law limiting the percentage of Jews in professions and trades.

Interrupts Conversations

How seriously Prague regards the situation was indicated by the fact that Prince Hodza found it necessary to interrupt his program of conversations with other minority groups such as the Sudeten Germans, Hungarians and Poies—in order to clarify, first of all, relations between the Czechs and Slovaks. Until now Government spokesmen repeatedly have emphasized that the problem of satisfying other demands for national minorities had nothing to do with Czech-Slovak relations, which have been harmonious.

The Hlinka movement, they said, represented only an extremely small group of discontented Slovaks.

Now, however, Slovak insistence on autonomy rises as an issue while the Prague Government is facing the demands of others of its people, particularly the Sudeten Germans, and the necessity of drafting a nationalities statute to satisfy diverse minority ambitions.

Police early began roping off the square in front of the Municipal Theater where yesterday Father Hlinka showed the "Pittsburgh Treaty" to thousands of followers and declared Slovaks "never will rest" until its terms are fulfilled.

The Pittsburgh Treaty

The pact, signed June 30, 1918, was an agreement between Czech and Slovak groups in the United States proclaiming the principle that Czechoslovakia, then being formed, should grant "cultural self-

government" to Slovaks. Czechs and Slovaks are closely related, probably having sprung from the same sources. Czechs, however, came under Austrian rule while Slovaks remained for a thousand years under Hungarian rule.]

Father Hlinka, wearing clerical attire, read a proposed law which would give the Slovaks:

(1) Autonomy in their area; (2) Official status for the Slovak language in schools in Slovak districts; (3) National Slovak citizenship in Slovak territory with which citizenship in the republic would be acquired automatically; (4) Self-government with rights to choose their own national administration and legislate on internal matters, including citizenship, emigration, shipping, air travel, posts, taxes, customs duties, state monopolies and state industries; and (5) State power over all other questions, including foreign relations and finance, by the reservation that all laws passed by the Czechoslovak Parliament must be approved by a majority of Slovak deputies.

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DISCIPLES OBTAINED RELEASE OF FREUD

Associations Here, in Britain and in France Brought Pressure Upon Berlin

'RANSOM' PAYMENT HINTED

Scientist Reaches London to Resume Career Is Placed Under Physician's Care

Permission for Dr. Sigmund Freud to leave Austria for London was obtained from the Nazi authorities in Germany through the combined efforts of three associations of followers of Dr. Freud in this country, England and France, it was learned here yesterday.

The three associations working through diplomatic channels in their countries brought pressure for

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the release of Dr. Freud and still working for the release other Viennese scientists, it was said. Several persons active in behalf of Dr. Freud were non-committal on reports that a "ransom" had been paid to win freedom for Dr. Freud, but did not deny the reports.

Dr. Lawrence S. Kubie of 34 East Seventy-fifth Street, a representative of the American Psychoanalytic Association said that the American organization had joined with the British Psychoanalytic Association, headed by Dr. Ernest Jones and the French Psychoanalytic Association, headed by Princess Marie Bonaparte, in working for the release of Dr. Freud.

Dr. Kubie added that persons all over the world had supported the three associations in seeking the release of Dr. Freud and other scientists in Austria.

Starts Today in Eng... 1938

LONDON, June 6 (AP).—His fortune gone and his health fragile, 82-year-old Dr. Sigmund Freud began a new life in England today.

In England he will seek the quiet and peace that he knew in Austria before Germany annexed the country on March 13.

He was the first prominent Jew allowed to leave there since the annexation.

"Everything we owned has been taken away, but we don't feel ruined," his daughter, Anna, said cheerily.

Anna and his wife accompanied the world-renowned "father of psychoanalysis" to England from Vienna. His son, Ernst, a London architect, accompanied them on the overnight ferry-train from Paris.

Dr. Freud was placed under a physician's care. Members of the family said he was exhausted by the trip, which began Saturday.

He brought with him a few of his treasured scientific books and his chow dog Lun. And he has his family.

The Freuds do not intend to go to the United States.

"England is far enough away from home," Anna said. "Father needs peace and work is peace. We hope to make a living here."

The aged psychoanalyst was treated "with respect" after Germany annexed Austria, members of the family said. They appeared generally reluctant to discuss the plight of Jews there.

Close friends indicated that they were fearful that any remarks on their part might cause harm to these Jews.

Sister Is Gratified

SCARSDALE, N. Y., June 6.—Mrs. Anna Freud Bernays, sister of Dr. Sigmund Freud, Viennese founder of psychoanalysis, expressed gratification at her home here today over the safe arrival of her brother in London and expressed the belief that he would not come to New York.

"May I express to all my friends

my deep thanks for the many messages of good-will I have received from those I know and from many I do not know," she said. "I am delighted that my brother now has the peace and quiet he needs for his scientific studies. I do not believe he will come to New York, because of his age."

LONDON, June 6 (AP).—Dr. Sigmund Freud, sad white-whiskered old man, arrived in London today from Nazi Vienna in search of peace and quiet. The eighty-two-year-old father of psychoanalysis was accompanied by his wife, his daughter Anna, and his son Ernst, a London architect.

The scientist was hustled from the ferry-train, which brought him from Paris over night, to an automobile which took him to a large rented house in the St. John's Wood section of London. There, Dr. Freud, whose researches in the influence of sex on behavior won him world fame, hopes to complete a book intended to show how the Bible reflected the subconscious yearnings and fears of the people of antiquity.

Friends, the aged Jewish professor greeted him at Victoria station, but Dr. Freud was not able to speak to them. Another son, Martin, an attorney, arrived just in time to see his father driven away.

"My father is a very old man," Martin Freud said. "What he wants most are peace and quiet for his remaining days.

"He will stay in England because he loves the country and loves the people. We are negotiating now to see if we can get some of his belongings out of Austria."

It was Freud's first trip to England in sixty years. His entire family is here now. Besides his wife, sons and daughter Anna, another daughter, Frau Hollitschek, arrived two weeks ago from Austria with her husband. Anna Freud hopes to practice here as a psychoanalyst if she can obtain a permit.

He brought with him a few of his treasured scientific books and his chow dog Lun. And he has his family.

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"May I express to all my friends

did not sign today's protest.

The Bank for International Settlements, at Basel, Switzerland, announced today it had protested to Germany against failure to pay interest due June 1 on a 1930 Austrian government loan for which the bank acts as trustee.

More than 70 per cent of this loan was in dollars or pounds. It was issued at 7 per cent, and originally was guaranteed by the Austrian customs and tobacco monopoly. About £10,000,000 (approximately \$50,000,000) is outstanding.

B. I. S. officials said they had understood that no change was to be made in serving of the loan despite Germany's assumption of Austria March 13.

In view of this situation, some observers in London urged establishment of a clearing office to impound money payable to German exporters for goods sold to Britain, in proportion to the amount in default in interest payments.

The 1933 loan was £10,000,000, of which over £4,000,000 was subscribed in Great Britain at 3 per cent. Great Britain's share of the 1934 loan was £10,000,000 at 4½ per cent.

These developments came shortly before Anglo-German trade and financial discussions were scheduled to be resumed in Berlin on problems arising from Germany's annexation of Austria.

30.24-321

~~BANK OFFICIALS SAID THEY HAD UNDERSTOOD THAT,~~

~~DESPISE GERMAN ABSORPTION OF AUSTRIA, NO CHANGE WAS TO BE MADE IN THE SERVICING OF THE LOAN.~~

~~BASEL--FIRST ADD AUSTRIAN LOAN X X X THE LOAN.~~
~~THE COMMUNIQUE ANNOUNCING THE PROTEST SAID THE BANK WOULD BE UNABLE TO PAY MORE THAN FIVE-SEVENTHS OF THE COUPONS DUE JULY 1 IN DOLLARS, POUNDS, LIRE AND SWISS FRANCS UNLESS GERMANY MADE HER PAYMENT BEFORE THEN.~~

~~IT SAID, HOWEVER, THERE WERE ENOUGH SWEDISH CROWNS AND AUSTRIAN SCHILLINGS ON HAND IN THE SURPLUS AND SINKING FUND TO PAY ALL COUPONS ISSUED IN THOSE CURRENCIES.~~

~~BASEL, SWITZERLAND, JUNE 7--(AP)--THE BANK~~

~~FOR INTERNATIONAL SETTLEMENTS ANNOUNCED TODAY IT HAD~~

~~PROTESTED TO GERMANY AGAINST FAILURE TO PAY INTEREST DUE~~

~~JUNE 1 ON A 1930 AUSTRIAN GOVERNMENT LOAN FOR WHICH THE~~

~~BANK ACTS AS TRUSTEE.~~

~~I May 1938~~

~~THE LOAN, ORIGINALLY GUARANTEED BY THE AUSTRIAN~~

~~CUSTOMS AND TOBACCO MONOPOLY, WAS ISSUED IN DOLLARS, POUNDS~~

~~STERLING, LIRE SWEDISH CROWNS, SWISS FRANCS AND AUSTRIAN~~

~~SCHILLINGS. ABOUT £10,000,000 STERLING (APPROXIMATELY~~

~~\$50,000,000) IS OUTSTANDING.~~

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1938

MORE THAN 70 PER CENT OF THE LOAN WAS IN DOLLARS OR POUNDS.
IT WAS ISSUED AT 7 PER CENT.

THE AMOUNT DUE JUNE 1 INCLUDED JUNE 1, 1938 SEMIANNUAL INTEREST PLUS
AMORTIZATION, BUT THE BANK DID NOT DISCLOSE THE FIGURES. IT SAID
ONLY THAT THE LOAN WAS "FULLY IN ORDER" ON MARCH 10.

CZECHS EXTEND PERIOD IN ARMY FOR CONSCRIPTS

Lengthen It From 2 To 3
Years And Recall Men
Completing Duty

Praha Completing Long-
Awaite Statute On
Minority Rights

JUN 9-1938
[By the Associated Press]

Praha, June 8—Sources close to the Government said today Czechoslovakia had decided to extend her army conscription period from two to three years.

The lengthened term of service will become effective October 1, they said, and will include recall to the colors for three months of those who completed their military duty October 1, 1937.

Savings from other budget allotments and in credit operations will be used to finance the army.

Adding 70,000 To Army

Extension of Czechoslovakia's compulsory military service period from two to three years would add a third contingent of 70,000 to 100,000 men to the two contingents which form the present standing army.

With her Sudeten German minority demanding autonomy and Reichsführer Hitler of Germany proclaiming himself "protector of the Sudeten Germans," Czechoslovakia recently has been speeding efforts to perfect her national defense.

Completing Peace Statute
The long-awaited minorities statute which the Government has been preparing for the purpose of pacifying Czechoslovakia's minorities, including

3,500,000 Sudeten Germans, is almost completed, it was said today. savings deposits from Polish banks and that propaganda was being spread

It was expected the statute draft would be completed by the end of this week.

Minor affrays between Czechoslovak soldiers and members of the Germanic minority continued, but in general the tense situation appeared relaxed.

Poles List Hardships In Germany

Remind Berlin Of Promises
Last Year For Cultural And
Economic Assistance

JUN 9-1938
[By the Associated Press]

Berlin, June 8 (P)—Europe's minorities problem, which has reached a crucial stage in Czechoslovakia, also has aroused a small Polish group living in eastern parts of Germany to remind the Berlin Government of promises it made under the German-Polish nationality agreement of last November 5.

Germany and Poland agreed there would be mutual respect for the rights of Germans living in Poland and Poles in Germany.

The League of Poles in Germany presented a memorandum to Interior Minister Wilhelm Frick June 3 complaining of cultural and economic hardships despite the agreement.

Polish Embassy circles denied knowledge of such a step, but the Interior Ministry today admitted receipt of a memorandum.

German officials said Germans living in Poland still suffered handicaps, despite the 1937 agreement.

Reports from Warsaw indicated the chief complaint was Germany's failure to provide more Polish grammar schools, especially in Silesia.

Other complaints were that local authorities were handicapping the work of Polish cultural societies, that Poles were being urged to withdraw

order during the final election weekend were as thorough as those for the balloting on May 22 and 29, relatively small affairs as compared with next Sunday's voting.

No less than 1,100 communities will be involved in the June 10 count, against fewer than 3,000 before. In about 4,000 of these places candidates are unopposed and in many of the 1,800 predominantly German localities election of Sudeten Germans is a foregone conclusion.

JUN 9-1938
PRAHA, JUNE 9
CZECHOSLOVAK LEADERS LISTED AS THEIR MAIN PROBLEMS RAISING FUNDS
FOR NATIONAL DEFENSE, PREPARATIONS FOR THE THIRD AND LAST OF A SERIES
OF MUNICIPAL ELECTIONS NEXT SUNDAY, AND EXPLORATION OF POSSIBILITIES
FOR A COMPROMISE AMONG DISSATISFIED RACIAL GROUPS.

OUTCOME OF THE BALLOTTING IS AWAITED WITH ANXIETY BECAUSE A BIG
HENLEIN VOTE MIGHT ENCOURAGE STIFFENING OF THE SUDETEN GERMAN ATTITUDE
WHILE A BIG VOTE FOR SLOVAKS, WHOSE PARTY ALSO DEMANDS A LARGER VOICE
IN GOVERNMENT AFFAIRS, WOULD COMPLICATE THE SITUATION FURTHER.

JUN 12-1938
PRAHA, CZECHOSLOVAKIA, JUNE 9 (AP)—THREE INTERNAL
PROBLEMS WITH INTERNATIONAL SIGNIFICANCE OCCURRED LEADERS OF THE
CZECHOSLOVAK REPUBLIC TODAY.

JUN 12-1938
THEY WERE RAISING FUNDS FOR NATIONAL DEFENSE; PRE-
PARATIONS FOR THE THIRD AND LAST OF A SERIES OF MUNICIPAL ELECTIONS
NEXT SUNDAY, AND FURTHER EXPLORATION OF POSSIBILITIES OF COMPROMISE
BETWEEN DISSATISFIED RACIAL GROUPS AND THE PRAHA GOVERNMENT.

JUN 12-1938
PRECAUTIONS TAKEN FOR MAINTAINING ORDER DURING THE
FINAL ELECTION WEEK END WERE AS THOROUGH AS THOSE FOR THE BALLOTTING

1938

ON MAY 22 AND 23.

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COMPARED TO SUNDAY'S VOTING, THE TWO PREVIOUS ELECTIONS WERE RELATIVELY SMALL AFFAIRS.

NO LESS THAN 8,170 COMMUNITIES WILL BE INVOLVED IN THE JUNE 12 COUNT, AGAINST FEWER THAN 3,000 BEFORE, IN ABOUT 4,000 OF THESE PLACES, HOWEVER, THE CANDIDATES ARE UNOPPOSED.

THUS IN MANY OF THE 1,880 PREDOMINANTLY GERMAN LOCALITIES NO CANDIDATE OPPOSES THE LIST OF THE SUDETEN GERMAN PARTY LEADER, KONRAD HENLEIN.

IN SOME OTHERS, THE UNITED CZECH PARTIES' MEN ARE UNOPPOSED.

NOT MOVED

ON WIRE
THIS LEAVES ABOUT 4,000 CENTERS IN WHICH VOTERS WILL GO TO THE POLLS, INCLUDING SUCH PREDOMINANTLY GERMAN CITIES AS REICHENBERG, TEPLITZ, TRAUTENAU, AND LEITMERITZ, AND SUCH SLOVAK CENTERS AS BRATISLAVA, WHERE FATHER ANDREAS HLINKA, AUTONOMISTS WILL TRY TO SHOW THEIR STRENGTH.

IN VIEW OF THE MAGNITUDE OF A HLINKA DEMONSTRATION IN BRATISLAVA LAST WEEK END AND THE LACK OF VISIBLE PROGRESS IN NEGOTIATIONS BETWEEN THE GOVERNMENT AND HENLEIN'S NAZI PARTY, THE OUTCOME

OF THE APPROACHING ELECTION IS AWAITED WITH SOME ANXIETY.

ANOTHER BIG HENLEIN VOTE MIGHT ENCOURAGE FURTHER STIFFENING OF THE OF THE SUDETEN GERMAN ATTITUDE, WHILE A BIG VOTE FOR THE HLINKA CANDIDATES MIGHT COMPLICATE FURTHER THE SLOVAK SITUATION, ALREADY TROUBLESOME BECAUSE OF THE SLOVAKS' DEMANDS FOR A LARGER VOICE IN GOVERNMENT AFFAIRS.

THE POSSIBILITY OF ELECTION DISTURBANCES REMAINS IN THE BACKGROUND, DESPITE MILITARY AND POLICE PRECAUTIONS.

OFFICIAL QUARTERS, PRAGUE, DO NOT ADMIT THAT NEGOTIATIONS WITH THE HENLEIN GROUP HAVE BEEN ALTOGETHER FRUITLESS.

ON THE CONTRARY, IT WAS SEMIOFFICIALLY ANNOUNCED THAT HAVE BEEN CONVERSATIONS SCHEDULED BETWEEN EMIL HACHA, PRESIDENT OF THE CZECHOSLOVAK SUPREME ADMINISTRATIVE COURT, AND ERICH SCHICKETANZ, THE SUDETEN GERMAN PARTY'S LEGAL EXPERT.

THESE MEN, IT WAS SAID, WILL HEAD A MIXED CZECH-SUDETEN GERMAN COMMISSION FOR STUDYING CONSTITUTIONAL QUESTIONS INVOLVED IN A PROPOSED NEW NATIONALITY STATUTE.

THE LIVeliEST ACTIVITY, HOWEVER, WAS SEEN IN THE

1938

SPHERE OF PREPARATIONS FOR NATIONAL DEFENSE.

STREET COLLECTIONS CONTINUED UNDIMINISHED. ADDITIONAL

ORGANIZATIONS COME FORWARD ALMOST EVERY DAY TO ANNOUNCE THEY HAD

**RAISED ENOUGH ^{MONEY TO} PAY FOR ANOTHER MILITARY PLANE. NOT Moved
on wire!**

MEANWHILE, KAREL ENGLIS, GOVERNOR OF THE NATIONAL BANK,

WAS COMMISSIONED TO DRAW UP AN APPEAL TO THE NATION TO ORGANIZE VOLUN-
JUN 12 1938

**TARY DEFENSE SUBSCRIPTIONS ON A BIGGER SCALE WITH SPECIAL EMPHASIS ON
CONTRIBUTIONS BY CORPORATIONS.**

**ONE JEWISH BANKING FIRM OFFERED A CONTRIBUTION OF
50,000,000 CROWNS (MORE THAN \$1,000,000).**

Fear for Alsace-Lorraine

French Fighting Nazi Propaganda for Return of Border Provinces to Germany.

PARIS, June 12 (Correspondent of the Associated Press).—Premier Edouard Daladier's government has launched a counter-offensive against what is described as a large-scale Nazi propaganda campaign in Alsace-Lorraine.

In the provinces recovered by France as a result of the world war, the activity of German agents has impressed the Government so seriously that Vice-Premier Camille Chautemps has been assigned to Alsatian affairs exclusively.

Early this spring Joseph Paul Boncour, then Foreign Minister, told the Foreign Affairs Committee of the Chamber of Deputies that Nazi agents were increasing their attempts to turn the German-speaking citizens of Alsace-Lorraine against France.

Reports Nazi Intrigues.

He declared the provinces were "full of Hitlerian intrigues" calculated to convince Alsatians that they must return to German rule. After the Saar plebiscite, Jan-

uary 15, 1935, Reichsfuehrer Hitler solemnly proclaimed that return of the territory to Germany marked the end of Nazi territorial demands on France.

French officials now charge that Prussian-born Hermann Bickler, chief of the autonomist party in Alsace-Lorraine, is seeking autonomy only to return the provinces to Germany.

Bickler, who became a naturalized Frenchman after the war, publicly declared it "a self-evident truth" that the people of Alsace-Lorraine constitute a national minority inside France and declared "the entire world no doubt has learned that we are of German language and character."

Whereupon the German newspaper "Elz" declared: "Alsace repulses more than ever forced assimilation into France."

France's Worry.

"France cannot forget that despite Hitler's protestations of territorial peace with France, the German Fuehrer wrote in his book 'Mein Kampf' that France, the traditional enemy, must be destroyed, that all German-speaking peoples must be returned to the Reich. He has applied the teachings of his book one by one. That speaks louder for us than his speeches."

Prague

JUN 12 1938
Prague
June 9 (A).—Peter Foerster, who fled to Czechoslovakia after escaping from a German concentration camp, was arrested today by Czechoslovak police near the German border. Authorities said Foerster, a German citizen, would be sent back to Germany. Another prisoner who escaped with him was captured in Germany. The two were alleged to have killed a sentry in their break for liberty.

Vienna Students Disband

**20 Societies Sport Regalia for the
JUN 12 1938**

Hundreds of members of more than twenty arms-bearing student societies in Vienna sported their time-honored and colorful regalia for the last time last night.

Just as in Germany, all student societies are banned, now that Austria has become part of the Reich.

In a meeting at the Vienna hall at which university students ceremoniously doffed society robes for the last duel-loving students were government speaker: "Friends, you must fight only for the

**LONDON, JUNE 9 (AP)—REPRESENTATIVES OF NATIONS WHICH HAD GUARANTEED
HOW DEFAULTED BONDS FOR A \$50,000,000 LOAN TO AUSTRIA IN 1933 MET
TODAY, FACED WITH DEMANDS BY BRITISH CHAMBERS OF COMMERCE FOR A FIRM
STAND."**

**THE BRITISH AND FRENCH ON TUESDAY LODGED A PETITION IN BERLIN AGAINST
NON-PAYMENT OF MONTHLY INTEREST INSTALLMENTS DUE JUNE 1. THE BONDS
WERE TO HAVE BORNE A 1/2 PER CENT INTEREST. AUSTRIA WAS ANNEXED BY
GERMANY MARCH 13.**

**THE CHAMBERS OF COMMERCE ASKED FOR EXCHANGE CLEARINGS ON BEHALF OF
BRITAIN AGAINST GERMANY IN EVENT THE TWO COUNTRIES COULD NOT REACH
AN EQUITABLE ARRANGEMENT.**

UNDER THIS PLAN BRITAIN WOULD COMMANDER SUFFICIENT GERMAN STERLING.

1938

BALANCES IN LONDON TO COVER BRITAIN'S LIABILITY AS A GUARANTOR.

HOWEVER, THE OTHER GUARANTORS -- FRANCE, CZECHOSLOVAKIA, ITALY, BELGIUM, SWEDEN, DENMARK AND THE NETHERLANDS -- MIGHT RESENT THIS AS ACTION IN THE SOLE INTEREST OF BRITAIN.

SIR FREDERICK LEITH-ROSS, CHIEF ECONOMIC ADVISER TO THE GOVERNMENT, PRESIDED AT TODAY'S GUARANTORS' MEETING.

THE UNITED STATES WAS NOT REPRESENTED AT THE SESSION, ALTHOUGH THE WASHINGTON GOVERNMENT IS INTERESTED BECAUSE A LARGE PART OF THE LOAN WAS ISSUED IN THE FORM OF DOLLARS BONDS IN THE UNITED STATES.

NEIL BRAED NAZIS GRAB PROPERTY OF YOUTH SOCIETIES

Close Student Organizations
In Vienna—Pupils Told Only
"To Fight For Hitler"

[By the Associated Press]
Vienna, June 10—The state police today announced confiscation of the property of Austrian Catholic student organizations, which included estimates valued at \$1,000,000.

This followed formal dissolution last night of more than twenty Austrian student societies at a meeting in which students doffed their colorful society regalia for the last time.

"Fight Only For Hitler"
"From now on you must fight only for Hitler," a Government spokesman told the students, whose societies were much concerned with duelling.

Catholic vicars are complaining that many Austrian students and young workers have left the Catholic Church. The total of such secessions was estimated unofficially at 28,000 since the annexation of Austria.

Join Nazi Society
The Protestant church and the German pagan movement were said to have profited by the changed status.

Just as in Germany, Austria's student societies now are banned. Pro-Nazi members have been incorporated in Germany's organizations of National Socialist students.

New Tension Evident Among Czech Circles

Praha, Czechoslovakia, June 10 (P)—Major Rudolf Broz of the army general staff said yesterday that Czechoslovakia bristles with machine-gun nests awaiting any invader.

He gave a broad outline of Czechoslovak defenses in a radio broadcast as the Government prepared large-scale precautions against disorder Sunday in the third and last of a series of municipal elections.

On the diplomatic front, Stephan Osusky, Czechoslovak Minister to Paris, arrived for hurried conferences with Dr. Kamil Krofta, Foreign Minister; Premier Milan Hodza and President Eduard Benes. Dr. Vojtech Mastny, Minister to Berlin, was en route home for similar urgent conferences.

Envoy's Return Called Routine
Officially the return of the Ministers was described as "routine" but in diplomatic quarters considerable importance was attached to information they were said to have brought with them.

A new phase of discord in the nation's tangled minority problem developed when Sudeten German (Nazi) members of Parliament raised "constitutional, political and economic" objections to a proposed public collection under private auspices to help finance national defense.

"Our fortifications really are a chain of machine-gun nests along our border," Major Broz said in his broadcast, which excited much interest.

Extends Far Into Interior

"This extends, however, far into the interior. If the enemy succeeds in breaking through the first ring of fortifications he would immediately strike the next ring."

"In such fighting the enemy would

suffer heavy losses and his offensive would degenerate into numerous individual actions.

"Our artificial fortifications are supplemented by natural barriers which are found on our borders. These natural defenses dictate to the enemy the path he must follow in entering our country.

Through the corresponding combination of natural and artificial obstacles by the destruction of communications and the destruction of any objects which might support an enemy attack, the enemy would be compelled to accept battle just where it would be most unfavorable for him.

Minimizes Danger From Air
"It is true that airplanes are a dangerous weapon against our fortifications, but one must remember that when targets are hit as well as machine-gun nests the danger is reduced to a minimum."

Meanwhile, the opinion was expressed freely in high Czechoslovak circles that no good would be accomplished by meeting the autonomy demands of Konrad Henlein's Sudeten German followers.

What might be interpreted as a warning was a communique issued by the Sudeten German party after further discussions between Premier Hodza and Sudeten German representatives.

The Henlein party's communique said the negotiations with Hodza on minority's autonomy demands had now advanced beyond a purely informative stage and that everything depends on what definite proposals the Government may have to offer next week.

Fear Effects Of Delay

It added that the Government must show a "sincere intention of solving the Sudeten German problem from the ground up."

In this connection it was feared in

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8 NATIONS TO PROTEST REICH'S DEBT DEFAULT

Guarantors of Loan to Austria Oppose Berlin's Attitude

LONDON, June 11 (P)—Representatives of the eight nations that in 1933 guaranteed now defaulted bonds for a \$50,000,000 loan to Austria voted today to make a united protest to Germany because of her refusal to take over Austria's external debts.

A communique announced that the guarantor committee had received a letter stating that the Berlin Government considered itself "under no legal obligation" to assume the debts. Austria was annexed by Germany on March 13.

The communique said that the committee, "while reserving the rights of their governments to protect their national interests by such means as they might consider appropriate, if a general agreement could not be reached, expressed hope that the German Government would reconsider their decision."

Leading financiers, politicians and economists including parliamentarians and the clamorous Germanic minority were invited to discuss the plan for a proposed public collection to help finance national defense.

Urge Public Economies

In advancing the intentions, the followers of Konrad Henlein, Sudeten German leader, protested against pressure to contribute in the manner proposed and urged that extraordinary expenditures for defense should be met through economies.

The Henleinists said they could not advise the Sudeten Germans to participate.

Czechoslovak circles expressed resentment at this stand, pointing out that the proposed collection would be on a voluntary basis.

This new phase of discord in Czechoslovakia's tangled minority problem developed just before the third and last of a series of communal elections which already have demonstrated the strength and solidarity of Henlein's followers.

The Government prepared large-scale precautions against disorder in the voting of 8,170 communities Sunday. Of these communities, about 1,880 are predominantly Germanic.

The preparations implied a vigilance as great as on May 22 and May 29, when the Government called up reserves and deployed troops along the border to resist any interference by Adolf Hitler, declared "protector" of the Sudeten Germans.

Monday

[By the Associated Press]

London, June 11—New Central European danger signs today gave another headache to British diplomats continuing their search for means of insuring Spanish Insurgent respect for the British merchant marine.

Germany's sudden virulent anti-Czechoslovak press campaign on the eve of tomorrow's municipal elections perturbed officials as they prepared dossiers on bomb-shattered British freighters for Prime Minister Neville Chamberlain and Foreign Secretary Viscount Halifax.

Measures Believed Drafted

Experts were believed already to have drafted detailed measures to protect freighters engaged in legitimate, non-contraband trade with Government ships.

The measures, which will be submitted to the Cabinet Monday, were believed to contain little provision for safeguarding British-owned vessels under charter to the Spanish Government. Most of the ships attacked were in this category.

Sixty British ships have been attacked and seventy-eight British seamen killed and injured during the Spanish civil war.

Considers Dictators

The Government, especially outraged by the apparently deliberate attacks on the British-controlled port of Gandia, still faced a problem of deciding whether to take action which might offend not only Insurgent Generalissimo Francisco Franco but his dictator allies, Adolf Hitler and Benito Mussolini.

Chamberlain is likely to watch closely the progress on the Insurgent drive on Castellon de la Plana and Valencia, which, if successful, might render attacks on shipping less necessary.

Both Chamberlain and Halifax, mindful of the crisis which arose three weeks ago at the time of the first Czechoslovak elections, arranged to keep in contact with the Foreign Office.

Eden Speech Awaited

Political quarters eagerly awaited the speech Anthony Eden, former Foreign Secretary, was scheduled to make to Leamington constituents tonight.

It was felt likely that his strong feelings on the Spanish situation might lead him to comment on Chamberlain's foreign policy, which caused him to leave the Cabinet.

Business quarters reported Lloyd's insurance rates for vessels trading with Spain had soared from 4 guineas (about \$21) in the middle of May to 15 guineas (about \$78.75). The rate for oil tankers was said to be up to 25 guineas (\$131.25).

30.24 — 325

Praga Ready To Keep Order In Elections

Praha, Czechoslovakia, June 11 (P)—Czechoslovakia made ready today for the last of three Sunday municipal elections in an atmosphere of military preparedness and under-cover diplomatic maneuver.

It was expected the turning point in her future relations with her boisterous Germanic minority and neighboring Germany would come in the next few days.

Major Rudolf Broz, in a broadcast on national defenses yesterday, warned that any invader would face a "chain of machine-gun nests."

8,170 Communities Voting

Large-scale preparations were made to maintain order tomorrow when more than 1,000,000 Sudeten Germans will vote as 8,170 communities ballot.

About 1,880 are predominantly German. If recent trends are maintained an overwhelming solidarity will be demonstrated by Germans for Konrad Henlein's Nazi-inclined party, while Czechoslovaks will rally to the Government's policies of independence.

Both the Czechoslovak Minister in Berlin and his colleague in Paris were in Praha conferring with Premier Milan Hodza, Foreign Minister Kamil Krofta and President Eduard Benes.

Britain Pressing Praha

Diplomatic quarters heard Great Britain again was pressing Praha to hasten publication of its definite proposals for settlement of the Sudeten German issue of minority rights.

The end of the elections automatically will give Henlein an opportunity for ending an end to "armed occupation" of Sudeten German areas.

Fear of disorder after the previous elections was given as the reason for the partial mobilization of Czechoslovak troops.

Major Broz declared the machine-gun nests were supplemented by natural defenses which "dictate to the enemy the path he must follow in entering our country."

New Discord Arises

A Sudeten German party in a communiqué, warned that future developments depend upon the extent to which the Government meets the party's demands and declared it expected to receive the Government's draft of a proposed minority statute next week.

Official Government quarters denied, however, that the demands had been accepted as a basis of negotiation.

A new discord arose when Henlein's followers refused to cooperate in the raising of a large fund by private subscription for national defense. The party protested at the "pressure" for contributions.

CZECH TENSION ADDS TO CARES OF CHAMBERLAIN

JUN 12 1938

Reich Press Attacks Per- turb Officials Drafting

Anti-Bombing Move

Measures To Be Placed Before Cabinet On

1938

CZECHS LET BRITISH OBSERVE ELECTIONS

Two London Officials To
Watch Vote In Sudeten
Areas Today

Defense Is Keynote As Ger-
man [REDACTED] De-
nunciation Of [REDACTED]

[By the Associated Press]

Praha, Czechoslovakia, June 11—The Czechoslovak Government approved tonight the presence of British observers in Sudeten German (Nazi) districts so they could get a clear picture should disorders develop during Sunday's municipal elections.

While an estimated 300,000 trained Czechoslovaks were under arms, ready for rapid transport to any threatened center on the frontier, the presence of the neutral men was welcomed in view of recurrent rumors that the election week-end would be "rough."

Up to midnight no serious clashes had been reported. Two Sudeten German youths were injured and thirty-seven were arrested in a brawl at [REDACTED] in northern Bohemia and in Slovakia several Slovaks burned a Soviet flag in protest against Czechoslovakia's alliance with Russia.

The British visitors, Major Sutton Pratt, assistant military attache, and Peter Fares, British consul at Reichenberg, had started their preliminary tour tonight.

8,170 Towns To Vote
Defense was the keynote in other ways, too, as residents of 8,170 communities, including more than 1,000,000 Sudeten Germans, decorated their buildings and streets in preparation for the voting, the last of a series of three communal elections.

A nation-wide appeal asked voluntary contributions to a billion-crown (\$35,000,000) defense fund. Boys and girls took street collections for the air force.

Shops crowded with military displays. The Smetany Museum opened an exhibition entitled "Our Ally Soviet Russia" to show the Czechoslovak public pictorial evidence of Russian capacity for action in the case of need.

Important Parleys Held
The preparedness spirit also dominated conferences of the Czechoslovak ministers to Berlin and Paris with Premier Milan Hodza, Kamil Krofta, Foreign Minister, and President

Eduard Benes.

Among the topics believed discussed was Great Britain's desire that Czechoslovakia settle the problem of minority rights, about which Konrad Henlein's Sudeten German (Nazi) party and Father Andreas Hlinka's Slovak group have been clamoring loudly.

The elections, larger than those of May 22 and 29, will involve 1,880 predominantly German localities, in which Henlein's tickets for town officers are virtually unopposed.

The voting will give Henlein opportunity to press for an end to "armed occupation" of the Sudeten area, for his candidates previously won unquestionable support.

Other Areas Back Praha

Other sections, as before, were expected to rally to the Government's policy of relying on western democracies in foreign relations and on its own strong army.

A climax was considered imminent in Czechoslovakia's handling of the Sudeten German problem, but in her relations with Germany, whose inspired newspapers today levelled a barrage of attacks on this little post-war republic. A Sudeten German party statement warned that developments depend on how the Government met its demands, and said a draft

the Government's proposed minority statute was expected "probably Tuesday."

But a Praha Foreign Office spokesman, asked if the Government planned to withdraw the bulk of its troops from the Sudeten German area after tomorrow's balloting, replied, "Most

decidedly not—they will stay where they are."

German Papers Increase

Attacks On Czechs

Berlin, June 11 (P)—Officially inspired Nazi newspapers increased their denunciations of neighboring Czechoslovakia tonight with lists of alleged excesses by Czechoslovak soldiers "somewhere along the border."

"There are many ways of pouring oil on a fire, and Praha is not missing one of them," the *Berliner Tageblatt* commented after citing what it called cases of individual Sudeten Germans being kicked, cuffed or menaced with guns or fists because they gave the Nazi salute or otherwise identified themselves as Sudeten German party (Nazi) members.

Other newspapers expressed apprehension lest tomorrow's municipal elections in 8,170 Czechoslovak communities lead to "more abuses of authority."

"Rule Of The Bayonet"

They charged that the atmosphere for the balloting was anything but

promising.

"The rule of the bayonet," said the *Lokal Anzeiger*, "is more in evidence than on the two previous election Sundays (May 22 and 29). Direct pressure by Czech authorities on minorities and the terrorization of voters is worse than ever before."

Official explanation was lacking for the sudden and unanimous explosion of criticism, which reminded some observers of outbursts when Germany annexed Austria and Chancellor Hitler announced his determination to protect all Germans along Germany's frontiers.

Charges Czechs Are Bluffing

Berlin official circles professed but little faith in the Czechoslovak Government's projected minorities statute, about which the Sudeten German party in Czechoslovakia has been insistent.

One paper has described the project as a "legendary document" which, since its publication was announced as forthcoming months ago, "has not advanced the solution of the minorities problem by a fraction of an inch."

"The Czechs are bluffing to the limit, and the bluff will be called some day," he asserted.

Ordered To Stay At Posts

Budapest, June 11 (A)—All Ministers accredited to the Hungarian Government and "affected" by the critical situation between Germany and Czechoslovakia were ordered today to remain in the capital over the weekend.

It was expected the Czechoslovak-German crisis might reach a climax tomorrow, or sooner.

**LEADERS OF ABOUT 100 CZECH AND SLOVAK POLITICAL,
INDUSTRIAL, COMMERCIAL, AGRICULTURAL, AND RELIGIOUS ORGANIZATIONS**

SIGNED THE APPEAL FOR DEFENSE CONTRIBUTIONS.

ALL CITIZENS OF THE REPUBLIC WERE ASKED "TO STAND

BEHIND THE NATION" AND TO GIVE AS MUCH AS THEY COULD. NO POLISH

OR HUNGARIAN ORGANIZATIONS IDENTIFIED THEMSELVES WITH THE APPEAL.

ONLY ONE GERMAN NAME APPEARED AMONG THOSE OF THE SIGNATORIES—

LEOPOLD FIDZIUSKI, A GERMAN SOCIALIST.

HENLEIN'S PARTY REFRINED TO ASSOCIATE ITSELF WITH THE

MOVE, WHICH SUDETEN SPOKESMEN DESCRIBED AS "A SCHEME FOR SABLING

THE COST OF RECENT MARTIAL MOBILIZATION ON SUDETEN GERMAN INDUSTRY.

AL CONCERN."

FATHER HLINKA'S NAME ALSO WAS MISSING FROM THE

LIST OF SIGNERS.

STORES ENLARGED THEIR DISPLAYS OF MATERIALS LIKE

GAS MASKS, BOOKSHOP WINDOWS WERE FILLED WITH REMINDERS OF THE

NEED FOR PREPAREDNESS.

BERLIN PAPERS RENEW ATTACKS UPON CZECHS

**Place Big Headlines Over
Alleged Mistreatment Of
Sudeten Nazis In May**

**Hitler's Own Journal De-
clares Moscow's Fist
Is Over Praha**

**[By the Associated Press]
Berlin, Saturday, June 11—The en-
tire Berlin morning press broke out
today with bitter front-page attacks
on Czechoslovakia.**

Emphasis was placed on Adolf Hitler's words of warning against ill treatment of Germans living beyond the borders of greater Germany.

After days of a more softened press attitude toward the Czechoslovak-German situation, new stories were displayed under banner headlines reminiscent of the tone of three weeks ago when two Sudeten Germans were shot on the Czechoslovak border.

Sample Of Headlines
Some of the headlines: "Czech Sadism Rampant; Sudeten Germandom (the German areas of Czechoslovakia) Under the Knotted Whip of Praha Soldiery"; "Praha Soldiery Carries On to Extreme, Czech Militia Ravages Sudeten Germans—Organized Criminal Bands."

"Czech Terror Becomes Unbearable," said another.

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Underscored in red in Hitler's *Voelkischer Beobachter* was this headline: "Moscow's Fist Over Praha, Thrashing Orgy of Czech Soldiery."

Detailed accounts of "harassment" which the press stated occurred during May were printed.

Recalls Hitler's Warning

Deutsche Allgemeine Zeitung called attention to Hitler's words that Germany would not stand idly by if Germans along the border were mistreated and asked:

"How much longer will Czechoslovakia continue to misuse the patience of the world?"

In short, the *Allgemeine Zeitung* berated the Czechoslovak Government, saying:

"Praha bears the responsibility for everything which happened and still may happen in Czechoslovakia—for every blow in the face of a Sudeten German, for every clubbing, for every bayonet pointed at the breast of a Sudeten German, for every shot fired, for all German tears shed, and for all German blood which has flowed."

Appeal To Conscience Of Europe

"That is the awful accusation, and the entire German nation raises it, for every blow in the face of a Sudeten German is also a blow in the face of the 75,000,000 Germans in the Reich (realm) of Adolf Hitler."

"It is a blow in the face of a great, proud nation."

"It is 75,000,000 persons who today accuse Praha before Europe, who once more appeal to the conscience of Europe."

Czech Nazis Fight Police. 14 Are Hurt

Clash in Prague by Henleinist Celebration of Overwhelming Vote in Area Along Border

Government Gains In Czech Districts

Elections Over, Prague Plans to Deliver Peace Proposals to Henlein After Talk Tomorrow

PRAGUE June 12.—Fourteen persons were injured tonight in an election disorder as unofficial returns in the third and last Sunday of municipal balloting gave Czechoslovakia's government and the Nazi-supported Sudeten German party each strong gains in the regions where their opposing nationalities predominate.

Sudeten supporters of Konrad Henlein by their own unofficial estimates polled 90.9 per cent of the total vote in Germanic districts.

In Czech regions, pro-government parties gained majorities similar to those of the two previous days of balloting which were interpreted as a vote of confidence in Premier Milan Hodza's government.

The one election day outbreak was at Maerisch-Schoenberg where five policemen and nine Henleinists were injured after police dispersed a victory parade celebrating a big Sudeten vote. Shouting "Police have been clubbing our women," fifty Henleinists fought it out with police but finally were suppressed.

The Sudeten party tabulation of returns showed a total of 824,282 German votes, including registered voters of those towns where Henleinists were unopposed and elections thus were avoided. Of this total, Sudeten candidates received 449,820 votes. Out of a grand total of 1,268,649 for the three elections—May 22, 29 and today—revealed 1,154,946 for Henlein candidates, 91.44 per cent.

While in predominantly Czech communities today's voting was carried out in a matter-of-fact manner, the predominantly German towns made a great festival of the occasion. Sudeten Germans, beflagged their homes, decorated buildings with green boughs and last night illuminated streets and buildings to mark the climax of their campaign for a near 100 per cent vote for Henlein candidates.

Two official British observers traveled about on the alert for untoward incidents. They were Major Sutton Pratt, British assistant military attaché, and Peter Pares, British Consul at Reichenberg.

The Sudeten führer's most striking gain curiously was in Bratislava, chief city of Slovakia, but even there the government had a comfortable majority. Henleinists received 15,000 votes compared with 5,000 in the 1935 election. Father Andreas Hlinka's Slovak Autonomist party received 8,000, while the government coalition parties received approximately 25,000. Other returns from Slovakia were slow, but reports from ten scattered communities indicated Hlinka's party was slightly behind its 1935 poll.

The third and last of the municipal elections brought nearer a decision the nation's conflict with her 3,500,000 German minority.

Early returns showed continuance of trends established in previous Sundays of voting.

Reichenberg, Czechoslovakia's largest German city, was typical of the predominantly German towns

There the Henleinists polled 19,766 out of 21,751 votes.

While pro-government parties maintained leads in Czech districts, the Communists appeared to be getting fewer votes than in the May 22 elections probably because Prague, with its large working-class population, already has completed its voting.

Voters marched to cast their ballots without disorder.

As they crowded the polling places, the highest juridical authorities of the republic devoted the day to an intensive study of the Sudeten German demands for autonomy and other concessions and of the possibility of satisfying at least some of them within the framework of the Constitution.

More than 1,000,000 Sudeten Germans voted or were registered in towns where the lists of their party, led by Herr Henlein, were unopposed.

While the party's demands were not involved in the elections, it was expected that the municipal votes would provide a clearer picture by tomorrow of the aggregate strength of the party among Czechoslovakia's German minority.

A total of 8,170 communities was involved in the voting today for communal officers, but many had unopposed candidates and therefore did not go to the polls.

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Tomorrow, with the elections out of the way, the government hopes to complete its formulation of proposals for a new nationalities statute designed to settle issues with all minorities in the country.

Go to Henlein Tuesday

Formulated proposals are scheduled to be handed to a representative of Henlein on Tuesday. The crucial question of just how far the government is willing to go to conciliate the Sudeten Germans thus may be answered by the middle of the week and the equally crucial question of how Henlein will react may be answered within a day or two thereafter.

Premier Milan Hodza meanwhile will begin discussions with representatives of Hungarian and Polish minorities. The nationalities statute is not expected to reach Parliament before mid-July. A government spokesman said the legislature

would be asked to pass it regardless of whether the Sudeten Germans had approved or denounced it.

Prague today was a city of youthful enthusiasm as 51,000 high school children, including a delegation from Yugoslavia, were here for Sokol (youth organization) athletic events. They crowded into the Sokol stadium where a program of mass gymnastic exercises was presented.

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He asserted the little republic was in a condition "practically akin to a state of war."

With Chancellor Hitler listening

In the same breath, however, issued a warning that Germany's love for peace must not be trifled with.

Herr Hess spoke pointedly concerning Czechoslovakia but studiously avoided mentioning her name.

Minorities Deprived of Rights.

"Seldom has the fate of a people been played with so lightly as in the last eventful weeks in whose limelight stands a State which exists only owing to the sham of Ver-

Herr Hess said Czechoslovakia's announced basis for such "a dangerous act" as the mobilization was on an "uninvestigated and completely false rumor" of German troop movements.

Europe and the world has no one but Hitler to thank that this "play with fire" did not lead to conflict, the Fuehrer's general representative went on.

He rebuked "States who have in-

OUT OF 70,566 GERMAN VOTES CAST, SUDETEN CANDIDATES RECEIVED
11,531, GERMAN SOCIALISTS 5,303 AND COMMUNISTS 4,032, GIVING HENLEIN
CLOSE TO 90 PER CENT OF THE TOTAL.

WHEN THE POLLS CLOSED AT 4 P.M. (10 A.M. E.S.T.) AFTER EIGHT HOURS OF BALLOTTING, REPORTS AVAILABLE IN PRAHA INDICATED THE ELECTIONS HAD PASSED OFF WITHOUT SERIOUS DISTURBANCES.
ACCORDING TO THESE ADVICES THERE WERE ONLY A FEW MINOR BRAWLS IN SCATTERED DISTRICTS.

PRAHA ITSELF WAS NOT VOTING, HAVING PARTICIPATED IN THE PREVIOUS ELECTIONS ON MAY 22 AND MAY 29.

HESS SAYS CZECHS ARE PEACE MENACE

He Asserts 'Hitler Alone Is to Be Thanked That Europe Is Not in a State of Flames'

DENIES REICH WANTS WAR

JUN 13 1938
Nazi Leader Tells Pomerania Rally Prague Cannot Keep Peace Within Borders

STETTIN, Germany, June 12 (AP).—Rudolf Hess, deputy leader of the Nazi party, accused Czechoslovakia today of being a menace to the peace of Europe.

"But this State not only mobilizes but a condition has set in along the borders of this republic that is practically akin to a state of war."

"False Rumors" Cited

"One provocation against neighbors follows another."

Czechoslovakia called up a class of reserves and manned her borders May 21 on the eve of the first in a series of three municipal elections. The action followed pre-election disorders, during which two Sudeten Germans were killed, and tension over the reported movement of German troops toward Czechoslovakia.

nuence on Czechoslovakia, undoubtedly referring to Britain and France, for not "bringing Czechoslovakia promptly to reason."

Repudiating those who "believe Hitler could aspire to war and destruction," Herr Hess said:

"Hitler knows war. He knows it would mean the end to all his peaceful plans."

"He knows even more that a European war would mean the end of Europe's culture."

Herr Hess emphasized that the German people wanted war "as little as ever."

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1938

**ASSAILED WAR AGITATOR. HESS SAID THE RIGHT ANSWER TO THEM WAS
"GERMANY'S ARMY, STRONGER THAN EVER."**

**HE ADDED THAT ANY ATTACK ON GERMANY WOULD PROVE NO
"MILITARY STRAW."**

**"WE WARN THE REST OF THE WORLD AGAINST REGARDING GERMANY AS WEAK.
WHOEVER BELIEVES IN THE LONGRUN HE CAN VIOLATE THIS
LOVE FOR PEACE DOES NOT UNDERSTAND THE GERMAN PEOPLE. HE WILL
EXPERIENCE A FRIGHTFUL AWAKENING SOME DAY IF HIS PROVOCATION HAS LED
TO ITS CONSEQUENCES."**

**STETTIN, GERMANY, JUNE 12-(AP)-ADOLF HITLER TODAY DECLARED
GERMANY'S FUTURE RESTS ON TWIN PILLARS--THE ARMY AND THE NAZI
PARTY.**

**"MORE AND MORE I COME TO THE REALIZATION HOW NECESSARY IT IS
TO MAKE THESE TWO PILLARS OF STATE UNSHAKEABLE," THE FUHRER SAID IN
A BRIEF SPEECH AT A NAZI PARTY RALLY.**

**"TO THE EXTENT THAT THESE PILLARS ARE SHAKED AND BECOME
BEARERS OF THE WHOLE GERMAN FATE WILL THE GERMAN NATION BE ABLE
TO LOOK CONFIDENTLY INTO THE FUTURE."**

**HIS REMARKS WERE MADE IN RESPONSE TO AN ADDRESS OF WELCOME BY
THE MAYOR OF STETTIN.**

SN1032PED

FLANDIN SAYS FRANCE IS PREPARED TO FIGHT

**Attacks Daladier's Readiness to
Aid Czechoslovakia**

PARIS, June 12 (AP)—Former Premier Pierre Etienne Flandin declared today that the Daladier government was prepared to order mobilization to aid Czechoslovakia if she were invaded by Germany.

Speaking in Vichy at a convention of his Democratic Alliance party, he warned that the danger of war was increasing in Europe and urged his followers to oppose war unless France herself were attacked.

He said that the Spanish civil war still was the greatest threat to France, asserting that "official

Edouard Daladier.—M. Bonnet was in his office in the Quai d'Orsay following the final phase of the municipal elections in Czechoslovakia.

"Many Frenchmen will be astonished to learn," M. Flandin said, "that on May 21 [the date of the first German-Czechoslovak frontier incidents accompanying the municipal elections] the order for general mobilization was ready.

"Less than twenty years after the armistice would we see again the tragic white posters [calling men to arms]?

"I say it is impossible as long as France herself is not attacked and all methods of conciliation and arbitration are not exhausted to prevent war."

He said that the Spanish civil war

France is not neutral." He demanded strict non-intervention to facilitate a reconciliation with Italy.

M. Flandin's speech brought an immediate reply from Pierre Cot, Radical Socialist former Air Minister, who told the national congress of Republican reserve officers at Chambery:

"A reserve officer must reply to a mobilization order without asking the reason or causes of mobilization."

"Suspicious propaganda is trying to trouble our consciences. To say that not one French soldier should expose his life for Czechoslovakia means that not one English soldier should shed his blood if France were attacked.

"Collective security is a condition of French security."

ES TO OPEN GERMAN TALKS

**Arrives ~~JUN 11~~ 1938 for
Nazi Conference.**

MEETING SET FOR TOMORROW

**To Discuss Minorities Issue
Trade Parley to Resume.**

PRAGUE, June 13 (A. P.)—President Eduard Benes returned to Prague today from his country estate near Usti following reports that he would take a hand tomorrow in opening historic negotiations for settlement of the Germanic minority problem.

Reports in financial circles said that President Benes would receive representatives of the Sudeten German party which has demanded autonomy for 3,500,000 Germanic citizens of Czechoslovakia. It was definitely expected that the Government's proposed nationality statute would be delivered to Sudeten members of Parliament tomorrow. It was not clear when the statute would be made public.

The Government may insist that the discussions remain confidential until representatives of all other minority groups—Slovaks, Poles and Hungarians—have had an opportunity to study the statute.

With the overwhelmingly pro-Nazi attitude of its 3,500,000 Sudeten Germans clearly demonstrated at the polls, this twenty-year-old republic today approached what may be the most momentous decision since its foundation.

Czechoslovaks were not surprised when Konrad Henlein's Nazi-supported Sudeten German party polled an estimated 90.9 per cent of the total vote in German districts yesterday in the third of three Sundays of municipal elections.

They were more concerned with the outcome of discussions on the troublesome minorities question which will start tomorrow between the Government and the Sudeten German party, the latter in a triumphal mood as a result of the election.

Yesterday's elections passed quietly, the only serious disorder being at Maerisch-Schoenberg where five policemen and nine Henleinists were injured when police dispersed a victory parade celebrating a big Sudeten vote.

In Czech regions pro-Government

parties gained substantial majorities, which were interpreted as a vote of confidence in Premier Milan Hodza's government.

Czech Proposals Are Ready.

Anxious to demonstrate to France, Great Britain and Czechoslovakia's other friends abroad that the Government is willing to make concessions in the cause of peace, Premier Hodza is preparing to hand to Herr Henlein's representatives tomorrow precise proposals designed to satisfy at least some of the Sudeten German demands for more self-government in Sudeten districts.

Whether the Henleinists will be content with mere concessions, however, remained a vital question. Another question causing equal anxiety among diplomatic observers was how the non-Sudetens would react to any attempt by the Government to make sweeping concessions.

As far as can be judged by an outsider the attitude of the Czech citizenry seems to be that the republic has demonstrated its willingness to fight for its existence and can count on the great democracies—France and Britain—to help it against an invader.

FLANDIN URGES CAUTION.
JUN 14 1938
France's former premier, Pierre Flandin, said in a speech at Vienne, France, last night that the Daladier government was prepared to order mobilization to aid Czechoslovakia if she were invaded by Germany. He warned that the danger of war was increasing in Europe and urged members of the Democratic Alliance party to oppose war unless France herself were attacked.

"His speech brought an immediate reply from Pierre Cot, Radical Socialist former Air Minister, who told the national congress of Republican reserve officers at Chambery: "To say that not one French soldier should expose his life for Czechoslovakia means that not one English soldier should shed his blood if France were attacked. Collective security is a condition of French security."

In unofficial Czechoslovak circles there is much talk of the necessity of national defense for protecting the republic, but very little talk of the necessity of making concessions to the Sudeten Germans—except that they probably would be useless.

Prague Voted Previously.

A total of 8,170 communities chose their communal officers in yesterday's elections, but many had unopposed candidates and therefore did not go to the polls. Prague itself did not vote, having participated in the previous elections on May 22 and May 23.

A Sudeten party tabulation of returns gave 824,282 German votes, including registered voters. In towns where Henleinists were unop-

posed and elections thus were waived. Of this total, Sudeten candidates received 749,820 votes. The Sudeten tabulation showed Henleinists received 1,154,946 votes, or 91.44 per cent, out of a grand total of 1,268,649 cast in German districts in the three days of voting. The party figures were taken with reserve, however, and it was believed a neutral tabulation would show a slightly smaller per cent of Czechoslovakia's Germans in favor of Herr Henlein.

The Sudeten Fuehrer's most striking gain was in Bratislava, chief city of Slovakia, but the Government had a comfortable majority there. Henleinists received 15,000 votes compared with 5,000 in the 1935 election. Father Andreas Hlinka's Slovak autonomist party received 8,000, while the Government coalition parties received approximately 25,000.

THREAT MADE AGAINST PRAHA BY NAZI ORGAN

**Delay On Minority Issue
Will Bring Forceable Solu-
tion, Official Paper Says**

**Czech Regime Told Its
Supremacy Rights
Are Limited**

[By the Associated Press]
Berlin, June 13—A Foreign Office mouthpiece warned the Czechoslovak Government today that delay in solving the Sudeten German question "will lead only to a more forcible solution."

The organ, the Diplomatische Politische Korrespondenz, advised the Praha administration to impress upon the Czech people "that they have no supremacy rights or special prerogatives" outside the purely Czech areas of the young republic.

"There is no further excuse for treating the Sudeten districts as occupied territory," the Korrespondenz declared. "Procrastination will lead only to a more forcible solution."

1938

Worried By Communist Vote

Results of local elections in Czechoslovakia yesterday, when Konrad Henlein's Nazi-supported Sudeten German party polled an estimated 90.9 per cent. of the vote in the German districts, were interpreted here as showing the solidarity of the Sudeten Germans.

On the other hand, Communist gains in other parts of Czechoslovakia caused vexation in Berlin.

Considerable attention, too, was accorded the statement of Dr. [unclear] speaking in Stettin yesterday as Chancellor Adolf Hitler's personal representative, that the Czechoslovak government was not in a position to preserve peace and order or to guarantee the lives of its citizens.

Czech Cabinet Confers On Henlein Demands

Praha, Czechoslovakia, June 13 (P)—Czechs and Sudeten Germans approached a critical stage tonight in discussions over the status of Czechoslovak nationalities, each of which seemed further consolidated in weekend local elections.

President Eduard Benes returned to Praha from his country estate, probably to attend the opening tomorrow of negotiations over minority demands for autonomy.

His Cabinet today discussed the self-government demands of Konrad Henlein's Nazi-supported Sudeten German party and heard the advice of jurists as to the constitutional questions involved.

Action Today In Doubt

It was not clear tonight, however, whether any definite proposals would be handed the Sudeten Germans tomorrow. It might be that the proposed statute by which the Government hopes to satisfy the minorities' demands will be kept secret until all the national groups—Hungarians, Poles, Slovaks and Sudeten Germans—have studied it.

Of 8,170 communities involved in voting yesterday for municipal officers, 5,795 were either Czech or Slovak. In these, Czechoslovak coalition parties showed in the aggregate an increase of strength, especially among Czech National Socialists and Agarians.

Slovak Party Loses Ground

In the Slovak districts, the Rev. Andreas Hlinka's Slovak Peoples' party (autonomous) lost ground, polling a bare third of the total.

The Hungarians and Henlein lists also polled sizable votes, however, and advocates of Slovak autonomy

quickly pointed out that the combi returns of the Hlinka, Henlein and Hungarian groups were larger than those of the Government.

This was true enough in Bratislava, where the coalition parties received 25,105 votes, Henleinists (Carpatho-German), 13,283; Hlinka, 8,133, and Hungarians, 10,938. Complete results of all Slovak communities, however, may show a different picture.

Conceded 80 to 90% Vote

One pro-Government newspaper used the headline, "No Totality For Henlein," but the pro-Government press in general conceded that the Sudeten German leader had united an overwhelmingly majority of the German vote behind his banner—possibly eight or ninety per cent.

Figures of the Sudeten German party itself showed the Henlein list of candidates got 749,820 of a total of 824,282 German votes yesterday, and 1,154,946 out of an aggregate of 1,268,649 votes in the series of municipal elections on May 22 and 23 and yesterday. There are nearly 3,500,000 persons of German origin in Czechoslovakia.

While the ballots were being counted yesterday, representatives of all German university student organizations in Czechoslovakia gathered at Eger and solemnly merged their identity into one Sudeten German Students' League.

ENGLAND MAY END REICH FISCAL PACT

Action Hinges on Settlement of Austrian Debt Question

LONDON, June 14 (P).—A threat that Great Britain might terminate the Anglo-German clearing agreement as early as this month if a "satisfactory settlement" of the Austrian debt question is not reached was made today by Sir John Simon, Chancellor of the Exchequer, to a cheering House of Commons.

Sir John declined to discuss the question beyond a brief statement in which he said:

"In view of the unsatisfactory conditions of these loans, an arrangement was made during recent discussions in Berlin that, failing in a satisfactory settlement of the question, His Majesty's Government may terminate the present Anglo-Ger-

man payments agreement June 30 without notice and we are therefore free to take any necessary action from that date."

(Payments due May 1 and June 1 on Austrian debts have been defaulted. Britain, France and other nations guaranteeing certain Austrian loans have protested to Berlin against failure to service loans made by Austria.)

His hearers believed Simon was hinting that the Government would take over German credits in Great Britain in order to satisfy the loans if settlement was not reached.

Termination of the clearing agreement would react unfavorably to Germany, since British imports from Germany are much higher than Britain's exports to the Reich.

The Evening News said that Germany was now demanding diminution of interest payments on the Dawes and Young loans of 1924 and 1930, respectively.

The news was reported that Germany in effect was saying she would accept responsibility for Austria's loans only if she got other concessions. She also was said to be contending that many powers since annexation had failed to live up to commercial agreements regarding Austrian exports.

Britain and seven other guarantors of Austrian loans have no

tested Germany's tacit repudiation of interest on those debts. Italy was the only guarantor who failed to protest.

SUDETEN DECISION IS EXPECTED TODAY

Hodza Promises Communiqué After Long Conference With Henleinists

Germans In Czechoslovakia Reported To Have Modified Demands

[Associated Press] Praha, Czechoslovakia, June 14—Government and Sudeten German (Nazi) spokesmen conferred more than three hours tonight in a conciliatory atmosphere about minority demands for autonomy.

Whether Premier Milan Hodza and five deputies of the Sudeten German

leader, Konrad Henlein, made any real progress in the parley toward a Czechoslovak-Sudeten German compromise, however, remained conjectural.

But a communiqué promised tomorrow after Hodza has informed the Czechoslovak Cabinet's political committee about the meeting was taken to indicate an announcement of more than ordinary importance would be forthcoming.

Progress Believed Made
The length of tonight's sessions was interpreted as meaning something more happened than a mere transmittal to the Henleinists of the draft of the Government's proposed nationality statute, by which it hopes to solve the question of how Czechs and Germans can live together peacefully within the same districts.

Palace attaches remained silent about the long conference, but it became known that the Henleinists were disposed to drop some of their more extreme demands like abandonment of the alliance between Czechoslovakia and Soviet Russia, and the Sudeten German right to spread Nazi ideas in German-inhabited regions of Czechoslovakia.

The Government had formulated three different drafts of the projected statute, each conceding a little more to the Sudeten German viewpoint than its predecessor.

LIKE THEIR BROTHERS IN GERMANY, THEY PUT ASIDE THEIR COLORFUL UNIFORMS AND THE INDIVIDUAL CUSTOMS OF THE VARIOUS FRATERNAL CORPS

AND BECAME A SECTION OF THE SUDETEN GERMAN PARTY.

A SUDETEN GERMAN DEPUTY WHO WELCOMED THEM INTO THE PARTY ADMONISHED THEM TO DEVELOP IRON DISCIPLINE AND UNSHAKEABLE LOYALTY.

"BE READY IN THE NEAR FUTURE TO TAKE ORDERS AND ASSUME TASKS DEMANDING SPECIAL DEVOTION," HE TOLD THEM.

**JUN 14 1938
IN THE FACE OF SUNDAY'S RETURNS AND THE SUDETEN GERMANIS.**

CONSEQUENT SPIRIT OF CONFIDENCE, THE HENLEINISTS' ATTITUDE TOWARD ANY GOVERNMENT PROPOSAL OR SELF-GOVERNMENT CONCESSIONS WAS CONSIDERED PROBLEMATIC. ANOTHER QUESTION WAS HOW THE OTHER MINORITY

GROUPS WOULD VIEW ANY OVERTURES TO THE SUDETEN GERMANS.

ENCODING

20-24-829

30-24-329

THE EXPECTATION WAS AROUSED THAT A DEFINITE TURN WAS IMMINENT TOWARD CLARIFYING THE SITUATION WHICH FOR WEEKS HAS CAUSED CONCERN IN EUROPEAN CHANCELLERIES.

15 JUN 14 1938

INSTITUTE

THE EXPERTS IN THE MEETING WHICH FOR WEEKS HAS CAUSED CONCERN IN EUROPEAN CHANCELLERIES.

MEMBERS OF PARLIAMENT KURT, PETERS, ROSEN, AND THE SUDETEN GERMAN LEGAL EXPERT SCHICKETZAI.

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PRAHA, CZECHOSLOVAKIA, JUNE 14—(AP)—**FIVE REPRESENTATIVES OF THE AUTONOMY-SEEKING SUDETEN GERMAN PARTY CALLED ON PREMIER MILAN HODZA TODAY IN WHAT WAS BELIEVED TO BE A SOMEWHAT CONCILIATORY MOOD.**

THE VISIT WAS AT HODZA'S INVITATION. IT WAS CONSIDERED LIKELY THAT PREMIER PLANNED TO GIVE THEM THE DRAFT OF THE CZECHOSLOVAK GOVERNMENT'S PROPOSED NATIONALITY STATUTE--A DOCUMENT DESIGNED TO SOLVE THE PROBLEM OF HOW CZECHOSLOVAKS AND GERMANS CAN LIVE TOGETHER AMICABLY IN THIS REPUBLIC.

JUN 15 1938
THE SUDETEN GERMAN REPRESENTATIVES, FOLLOWERS OF KONRAD HENLEIN, WERE REPORTED READY TO COMPROMISE ON SOME OF HENLEIN'S MORE EXTREME DEMANDS LIKE ABANDONMENT OF THE CZECHOSLOVAK-SOVIET RUSSIA ALLIANCE AND FULL RECOGNITION OF THE SUDETEN GERMAN RIGHT TO PROPAGATE NAZI IDEOLOGY IN CZECHOSLOVAKIA'S GERMAN DISTRICTS.

BERLIN LIKELY TO REPUDIATE VIENNA'S DEBTS

Goering's Newspaper Hints This May Be Course On Political Loans

Claims Money Was Sent To Austria For Purpose Of Hindering Anschluss

BERLIN, June 16—(AP)— The National Zeitung, newspaper of Field Marshal Hermann Wilhelm Goering, hinted today that Walter Funk, Economics Minister, may repudiate Germany's liability for the Austrian Government's "political" debts in an address to be made Thursday in Bremen. The paper suggested Funk at least

would give a more precise view on Germany's attitude regarding these debts, which has been comparatively uncertain since Germany absorbed Austria March 13.

Citing changes which resulted in Austria's foreign-indebtedness situation as a result of her absorption by Germany, and distinguishing between private and other types of investments in loans to the Austrian Government, the paper stated:

"As far as concerns Austria's foreign debt arising from obligations to trade or unobjectionable economic investments, the situation is clear.

Calls Political Debts Different
 "Successful conclusion of economic negotiations with many countries which have been trade partners with the former Austrian state have testified to that....

The situation is different, however, regarding political debts of the former Austrian state.

"There is no doubt, as has been admitted also from the English side, that giant loans pumped into Austria are regarded as unfit, and exist with the single purpose of hindering the Anschluss with Germany.

"Hundreds of millions in the truest sense of the word actually were squandered in order to maintain misconstruction of the Versailles treaty in central Europe....

"Signatures Worthless"

"Negotiations of last week show that the other side (discussions have been in progress between England and Germany) not only has not learned through collapse of its hopes but is standing, with absolutely unjustified stubbornness, upon the signatures of politically bankrupt men—signatures which have become worthless through the process of history itself (Anschluss).

"It would be easy for the Economics Minister to draw the only possible conclusion from these facts, and it would be a pleasure besides for him to repeat that the time definitely is over in which Germany could be put under pressure with economic threats."

British Firms Warned Of Trade With Reich

London, June 15 (AP)—Oliver Stanley, president of the Board of Trade, in a Commons speech tonight warned British business it would trade with Germany after June 30 at its own risk.

X455
 His statement was interpreted as a clear hint Britain would impose a rigid debt-clearing system on Anglo-German trade in answer to Berlin's refusal to honor League of Nations-backed loans to Austria.

Stanley, discussing the impasse reached with Germany, in a speech on Board of Trade estimates recalled that Britain could terminate June 30 the existing relatively unrestricted Anglo-German agreement for meeting trade payments.

He said he hoped current negotiations with the Reich would be successful.

JUN 16 1938

He warned, however, that traders must recognize that in the present circumstance there may be difficulties in obtaining payments after the end of this month and must therefore use their discretion in accepting any new commitments which may result in an accumulation of debts in Germany."

Czech Cabinet Studies Revised Sudeten Terms

Nazis Said to Have Modified Original Demands but Still Want Autonomy; Parleys to Resume in a Few Days

PRAGUE, June 15 (AP).—Worried Czechoslovak Cabinet ministers examined tonight a revised list of Sudeten German party demands.

The session followed twenty-four hours of almost continuous discussions of the troublesome nationality problem by Premier Milan Hodza, his government colleagues, and representatives of Nazi-supported Konrad Henlein.

A memorandum June 8, but not yet made public. Whether the memorandum was more conciliatory than Henlein's eight-point declaration made April 24 at Carlsbad was not known.

Meanwhile, the political committee of the Cabinet met and discussed the minorities question in the light of the conference.

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 1. Equality of status between Czechs and Germans in Czechoslovakia.

2. Recognition of the 3,500,000 Sudeten German population in Czechoslovakia as a legal entity.

3. Recognition of German territory as distinct from Czech territory.

4. Entire self-government in such territories.

5. Minority protection for Sudeten Germans living outside such recognized territory.

6. Reparation for damages caused to Sudeten Germans since 1918 by unjust measures.

7. Establishment of the principle of German officials for German territory.

8. The right of individuals to acknowledge their German nationality and their adherence to the German political ideology.

These would be more conciliatory than the eight-point program Henlein announced April 24, when he asked for termination of the Russian-Czechoslovak alliance and recognition of the Sudeten Germans' right to agitate for Nazi ideas in Czechoslovakia's German-inhabited districts.

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Leveller days examined constitutional questions involved in the minority demands. The Cabinet's political committee met later to hear Hodza's report on his three-hour conference yesterday with Sudeten German representatives.

Sudeten Germans said they lacked information about the nature of the government's proposed nationalities statute.

HODZA TO COMPROMISE

Premier Will Consider All Minorities' Demands.

PRAGUE, Czechoslovakia, June 15 (A.P.).—The Government announced today that Premier Milan Hodza had informed leaders of the Sudeten German party that he would take both the party's demands and his own minorities' statute as bases for further negotiations on the troublesome Germanic minority problem.

A committee of the night's three-hour conference between Premier Hodza and Sudeten representatives—followers of the Nazi-supported Konrad Henlein—said talks would be resumed in a few days.

It contained formal assurance that the Government would discuss the Sudeten demands presented in a memorandum June 8, but not yet made public. Whether the memorandum was more conciliatory than Henlein's eight-point declaration made April 24 at Carlsbad was not known.

The list did not include Henlein's demand for a change in Czechoslovak foreign policy.

Czechs to Ask For Rights, Too, As Nationality

Will Join Germans and Other Groups, Asserts Officially. Hodza to See Heads of Parties

PRAGUE, June 16 (AP).—An official announcement tonight said discussion of Sudeten German demands, as well as those of all other minorities, would be continued throughout the week.

The announcement added that next week Premier Milan Hodza would confer with leaders of government coalition parties on the proposed nationalities statute, in preparation for some time.

[By the Associated Press]
 Praha, Czechoslovakia, June 16—After more than twenty-four hours of intensive discussion of the Germanic minority's nationality demands, Premier Milan Hodza prepared today to begin similar negotiations with Hungarian and Polish groups.

At the same time persistent preparations for all possibilities of war kept pace with patient exploration of the paths to peace.

Pushing Gas-Mask Sales
 Collection of a \$35,000,000 defense fund in voluntary contributions was proceeding satisfactorily. Police notified employers to acquire gas masks for all employees.

Today was chosen for a demonstration of popular training for war through the great athletic institution of Sokols.

Premier Hodza, in the negotiations with Konrad Henlein's followers, agreed to discuss an eight-point program they submitted as well as the Government's proposed minority statute.

Foreign Policy Excluded
 It was ruled the Sudeten German demands included equality of status between Czechs and Germans in Czechoslovakia, recognition of Sudeten German territory as distinct from Czech territory, self-government in Sudeten territory by German officials, their right to adherence to German political ideology and reparations for damages caused by "unjust" measures since 1918.

The list did not include Henlein's demand for a change in Czechoslovak foreign policy.

CZECHS TAKE UP HUNGARIAN AND POLISH DEMANDS

Conceded Points To Nazis While Facing 2 More Minorities

War Preparedness Program Keeps Pace With Peace Efforts

"Not only Germans, Hungarians

1938

and Poles are to be consulted—even the Czechs are to be asked what they think about it," one government official ironically expressed it. "Even Czechs are to have certain rights under the new nationalities statute."

While most government and business activity was halted in observance of a religious holiday, Hodza nevertheless received representatives of the German Social Democrats. The delegation complained that the government was paying too little attention to their plight—vastly outnumbered as they are by Sudeten German followers of the Nazi leader, Konrad Henlein.

Each of the minority groups has its own set of proposals for incorporation in the nationalities statute the government is preparing. The Sudeten Germans are reported to have revised their autonomy demands as first articulated April 1, making them more conciliatory.

AUSTRIAN DEBT REPUDIATED BY NAZI MINISTER

Funk Says Reich Has No Obligation on Legal or Moral Grounds.

SCORES AMERICA IN SPEECH

But Economics Division Chief Asserts Germany Seeks to Compromise With London.

BREMEN, June 16 (A. P.)—Economics Minister Walther Funk declared today that Germany was not obligated to acknowledge State debts of annexed Austria either from the viewpoint of international law or on economic or moral grounds.

He added, however, that Germany was trying to come to an agreement with Sir Frederick Leith-Ross, chief economic adviser to the British Government, "in a spirit of mutual understanding with the aim of compromise that will meet the interests of both parties."

In a speech here Herr Funk asserted that "there is no legal obligation for the German Reich to take over these (Austrian) debts." "England, for instance, declined

after the Boer war to recognize the debts of the Boer Republic as her own," he added, ". . . nor did the United States acknowledge the loans of Southern States as binding upon the new State."

Herr Funk also scoffed at the idea that the present Austrian region of Germany must be regarded as the legal successor to the Austrian republic.

Says Old Austria Has Gone.

"The change in the legal status of Austria is a historical development brought about by a revolutionary act," he said of the republic's absorption into Germany last March 13. "Austria as it existed hitherto has been wiped out as such by the will of the people."

(Payments due May 1 and June 1 on Austrian bond issues already have been defaulted. Britain, France and other guaranteeing nations and the Bank for International Settlements have protested to Berlin).

The economics minister, speaking at a celebration of the four hundredth anniversary of historic Schuetting house, headquarters of Bremen's Chamber of Commerce, branded the United States as "virtually the center of disturbances" in world economics.

He extolled Germany as the opposite of America in the matter of economic policy.

Points Finger at U. S.

Herr Funk urged that national credits take the place of international credits in dealing of nations with each other. He went on:

"Recent international economic discussions are characterized by an identical tendency, namely, fear of a new, serious crisis in world economy."

Two economic areas become manifest in this connection as marked antipodes; on the one hand the United States of America, which is described as virtually the center of disturbances, and on the other hand Germany, whose economy thus far has offered unbroken resistance to the new depression.

"At a time of general business recession German economy continues steadily on the upgrade. This diametrically opposite development of two extremes is proved most conclusively in the realm of steel production. German steel production is beginning to outdistance American production."

The Economics Minister held that delay in Anglo-American discussions seeking a new trade pact was due to the world economic crisis. He then asserted that the chief reason for confusion in world markets lay in the system of reparations payments and international political debts.

Cites World War Debts.

Referring to the debts of other nations to the United States he said that "no sensible person believes these debts ever will be paid."

Referring to the Dawes and Young loans—made to Germany in 1924 and 1930, respectively, Herr Funk expressed the opinion that a political debt does not become a commercial one if private capitalists on the creditor side take the place of states. (The loans were part of attempted solutions of Germany's reparations problem.)

He declared that it was absolutely necessary that interest rates of 7 and 5½ per cent on these loans be reduced to a normal level."

Herr Funk took issue with the theory that Austrian State loans had served economic purposes.

"They served the political purpose of preventing anschluss of Austria with the Reich," he asserted flatly. "Austria can show no economic values created with foreign aid. . . . Neither from the viewpoint of international law nor economically nor morally is there any obligation upon the Reich to recognize legal succession to the Austrian loans."

Nevertheless he said that Germany was ready to come to some acceptable arrangement on this question. But, he added, threats of force were useless and would only prevent an amicable solution.

"Germany today offers the world a great chance for building up a healthy world economy," Herr Funk said in conclusion.

Reich Denies It Is Obligated by Austrian Debts

OFFER TO COMPROMISE WITH LENDERS, HODZA, AND DEMANDS INTEREST CUT ON DAWES AND YOUNG LOANS

By The Associated Press

BREMEN, Germany, June 16.—Economics Minister Walther Funk disclaimed today the responsibility of the German government for repayment of \$160,000,000 borrowed abroad by Austria before it was annexed to the Third Reich on March 13, but indicated that Germany was ready to make a compromise arrangement with those who lent the money.

At the same time, asserting that National Socialist (Nazi) prestige "cannot tolerate the present state of affairs with reference to German state loans," he declared: "An arrangement must be reached (on the Dawes and Young loans) whereby the interest rates of 7 and 5½ per cent, which no longer have any justification whatever, will be reduced to a normal level."

Funk spoke at a celebration of the 400th anniversary of Schuetting House, headquarters of Bremen's Chamber of Commerce. He extolled Nazi economic achievements and portrayed Germany as at the oppo-

site pole from the United States in economic stability.

Recent international economic discussions, he said, "are characterized by an identical tendency, namely, fear of a new, serious crisis in world economy. Two economic areas become manifest in this connection as marked antipodes, on the one hand the United States of America, which is described as virtually the center of disturbances, and on the other hand Germany, whose economy thus far has offered unbroken resistance to the new depression."

Gernan steel production, he added, "is beginning to outdistance American production."

Funk denounced political debts and disclaimed German legal, economic and moral responsibility for the Austrian state loans. In German eyes, state or political debts are those, guaranteed by a central authority, which were incurred un-

der compulsion or with ulterior political aims. Thus the Austrian state loans totaling 400,000,000 reichsmarks, or approximately \$160,000,000, are regarded by Funk as having been forced upon the former republic for "the political purpose of preventing the Anschluss of Austria with the Reich."

Funk asserted there is no legal obligation for the German Reich to take over these (Austrian) debts. England, for instance, declined after the Boer War to recognize the debts of the Boer republic as her own . . . nor did the United States acknowledge the loans of the Southern states as binding upon the new state.

Answering critics who declare "the candid talk of German statesmen is alarming," Dr. Goebbels retorted there were problems in Europe about which "one cannot speak calmly."

"It is better to raise one's voice loudly at the proper time than to keep quiet and permit a crisis to close in," he declared.

Funk also scoffed at the idea that the present Austrian region of Germany must be regarded as the legal successor to the Austrian republic. "The change in the legal status of Austria is an historical development brought about by a revolutionary act," he said of the republic's absorption into Germany. "Austria as it existed hitherto has been wiped out as such by the will of the people."

Financial circles estimated Americans were involved in the Austrian loans to the extent of about \$20,000,000. Payments due May 1 and June 1 on Austrian bond issues have been defaulted, and Great Britain, France, other guaranteeing nations and the Bank for International Settlements have protested to Berlin.

Hopes for Solution

Funk said that negotiations first conducted in Berlin with Sir Frederick Leith-Ross, chief economic adviser to the British government, and then transferred to London, "offer the prospect of a satisfactory solution" of the Austrian issue.

The German Dawes loan, made in 1924, still totals about \$80,000,000, and the Young loan, made in 1930, is estimated at \$200,000,000. They are regarded in Germany as having been forced upon the nation to meet a political debt—World War reparations.

Explaining the National Socialist stand, the Minister of Economics said: "A political debt does not become a commercial one if private capitalists on the creditors' side take the place of states. . . . Every commercial debt will be honestly met by us, but we decline in principle to acknowledge the system of political debts."

Financial circles reported a belief that an interest rate of 4½ per cent on both the Dawes and Young loans would be acceptable to Germany. Funk said nothing concerning the method by which the government expected to bring about a reduction in the existing rates. Berlin financial sources indicated Germany hoped soon to approach bondholders' protection committees in the creditor nations with the proposal that the

Even as he spoke before an East Prussian party rally here reports were received of a new border violation by a Czechoslovak military plane.

A dispatch from Bayreuth said a Czechoslovak army craft crossed into Germany near the Bavarian village

of Lam, about four miles from the frontier. One observer said a photographer was taking pictures of German territory from the low-flying plane.

Individuals Hold Most of It

The bulk of the Dawes and Young loans is in the hands of individual investors, a banker pointed out, with banks and investment trusts holding only a small share. Commercial loans in standstill agreements, on the other hand, are exclusively in the hands of foreign banks.

There is a third type of loan—money advanced by large foreign industrial undertakings. Repayment of these loans is offered at any time, provided the creditor will take it in German marks.

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Admonishes Foreign Nations

"Unending provocations against a people of 75,000,000 cannot continue," Dr. Goebbels said.

He called on foreign nations not to continue trying Germany's patience by stirring up Czechoslovakia instead of calling the Praha Government to order.

The propaganda chieftain defended Germany's stand against payment of Austrian state loans. The Reich, he said, no longer wants "to carry burdens which are too heavy for others."

Defines Candid Speeches

"We must insist on liquidation of the frightful results of Versailles in the world," he added. "Then Europe's unrest finally will be brought to an end."

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"We must insist on liquidation of the frightful results of Versailles in the world," he added. "Then Europe's unrest finally will be brought to an end."

Answering critics who declare "the candid talk of German statesmen is alarming," Dr. Goebbels retorted there were problems in Europe about which "one cannot speak calmly."

"It is better to raise one's voice loudly at the proper time than to keep quiet and permit a crisis to close in," he declared.

Funk also scoffed at the idea that the present Austrian region of Germany must be regarded as the legal successor to the Austrian republic. "The change in the legal status of Austria is an historical development brought about by a revolutionary act," he said of the republic's absorption into Germany. "Austria as it existed hitherto has been wiped out as such by the will of the people."

Financial circles estimated Americans were involved in the Austrian loans to the extent of about \$20,000,000. Payments due May 1 and June 1 on Austrian bond issues have been defaulted, and Great Britain, France, other guaranteeing nations and the Bank for International Settlements have protested to Berlin.

Explaining the National Socialist stand, the Minister of Economics said: "A political debt does not become a commercial one if private capitalists on the creditors' side take the place of states. . . . Every commercial debt will be honestly met by us, but we decline in principle to acknowledge the system of political debts."

Financial circles reported a belief that an interest rate of 4½ per cent on both the Dawes and Young loans would be acceptable to Germany. Funk said nothing concerning the method by which the government expected to bring about a reduction in the existing rates. Berlin financial sources indicated Germany hoped soon to approach bondholders' protection committees in the creditor nations with the proposal that the

Even as he spoke before an East Prussian party rally here reports were received of a new border violation by a Czechoslovak military plane.

A dispatch from Bayreuth said a Czechoslovak army craft crossed into Germany near the Bavarian village

of Lam, about four miles from the frontier. One observer said a photographer was taking pictures of German territory from the low-flying plane.

Admonishes Foreign Nations

"Unending provocations against a people of 75,000,000 cannot continue," Dr. Goebbels said.

He called on foreign nations not to continue trying Germany's patience by stirring up Czechoslovakia instead of calling the Praha Government to order.

The propaganda chieft

1938

STATE, OF THE UNITED STATES TO PAY CONFEDERATE DEBTS, AND OF
FRANCE TO ASSUME MADAGASCAR'S OBLIGATIONS.

THE AMERICAN NOTE, PRESENTED AT BERLIN BY AMBASSADOR HUGH WILSON,
SAID,

JUN 19 1938

"IT IS BELIEVED THAT THE WEIGHT OF AUTHORITY CLEARLY SUPPORTS THE
GENERAL DOCTRINE OF INTERNATIONAL LAW FOUNDED UPON OBVIOUS PRINCIPLES
OF JUSTICE THAT IN CASE OF ABSORPTION OF A STATE, THE SUBSTITUTED
SOVEREIGNTY ASSUMES THE DEBTS AND OBLIGATIONS OF THE ABSORBED STATE AND
TAKES THE BURDENS WITH THE BENEFITS.

"A FEW EXCEPTIONS TO THIS GENERAL PROPOSITION HAVE SOMETIMES BEEN
ASSERTED, BUT THESE EXCEPTIONS APPEAR TO FIND NO APPLICATION TO
THE CIRCUMSTANCES OF THE INSTANT CASE."

IN ADDITION, THE AMERICAN GOVERNMENT TOLD HITLER:

"THERE APPEARS NO REASON WHY AMERICAN CREDITORS OF AUSTRIA
SHOULD BE PLACED IN ANY WORSE POSITION BY REASON OF THE ABSORPTION
OF AUSTRIA BY GERMANY THAN THEY WOULD HAVE BEEN IN HAD SUCH ABSORPTION
NOT TAKEN PLACE."

IT REMINDED GERMANY THAT THE AMERICAN LOANS WERE "MADE IN TIME OF
PEACE, FOR CONSTRUCTIVE WORKS AND THE RELIEF OF HUMAN SUFFERING."

THE AMERICAN NOTE WAS PROMPTED BY THE JUNE 1 DEFAULT ON
AUSTRIA'S 1930 LOAN.

MOST OF THE AUSTRIAN DOLLAR BONDS HAVE BEEN REPURCHASED IN RECENT
YEARS BY AUSTRIANS. AUSTRIANS AS WELL AS AMERICANS, THEREFORE,
MAY BENEFIT FROM THE STAND TAKEN BY THE UNITED STATES.

DK647DFC

WASHINGTON 1ST ADD GERMAN DEBTS X X THE BENEFITS."

AUSTRIA'S DEBT TO THIS GOVERNMENT TOTALS

\$24,055,705. AMERICAN-SUBSCRIBED LOANS FLOATED BY AUSTRIAN
MUNICIPALITIES, UTILITIES AND DEVELOPMENT PROJECTS AGGREGATE
EVEN MORE.

JUN 19 1938

AUSTRIA'S TOTAL DEBT TO THE UNITED STATES, BOTH PUBLIC AND PRIVATE,
IS SLIGHTLY OVER \$60,000,000. MOST OF THIS HAS BEEN PURCHASED BACK
IN RECENT YEARS BY AUSTRIAN CITIZENS WHO NOW BECOME THE REAL VICTIMS
OF GERMANY'S DISINCLINATION TO PAY.

GERMANY WAS REMINDED IN THE NOTE THAT THE 1930 LOAN AND THE RELIEF
LOANS TO AUSTRIA "WERE MADE IN TIME OF PEACE, FOR CONSTRUCTIVE WORKS
AND THE RELIEF OF HUMAN SUFFERING." THE REMONSTRANCE ADDED:

"THERE APPEARS NO REASON WHY AMERICAN CREDITORS OF AUSTRIA SHOULD
BE PLACED IN ANY WORSE POSITION BY REASON OF THE ABSORPTION OF
AUSTRIA BY GERMANY THAN THEY WOULD HAVE BEEN IN HAD SUCH ABSORPTION
NOT TAKEN PLACE."

CHARGE # 44

would be paid and cared for better
under German army conditions than
under the old Austrian regime.

Old Austrian Army
Merged With German

Men Born In 1917 Ordered To
Report For Duty Between
Aug. 16 And Sept. 10 1938

Berlin, June 11 (AP)—A decree for
the coordination of the former Austrian
army with that of Germany and an order calling the Austrian
men born in 1917 to report between
next August 16 and September 10 for
military service were announced today
in the official Gazette.

The decree makes Field Marshal
General Heinz Wilhelm Göring's
national defense laws of May, 1935,
operative for the new Austrian province.

These ordered all male Germans
between 18 and 45 years to serve a
year in the army, made a year of
labor service prerequisite to military
service and provided that Germans
living abroad must serve their terms
in Germany.

The decree announced also that
many loopholes under the former Austrian
conscription law needed stopping
and maintained that Austrian recruits

ALREADY EXISTING REGULATIONS FOR EXPROPRIATING LAND
FOR DEFENSE WORKS BARRACKS, DRILL GROUNDS AND SHOOTING
RANGES WERE INTRODUCED IN THE DECREE.

COL. GEN. WALTER VON BRAUCHITSCH, CHIEF OF THE ARMY,
PLANNED TO JUN 19 1938
LEAVE SOON FOR AN INSPECTION TOUR OF
AUSTRIAN GERMANY TO SEE THAT THE NEW MEASURES WERE
ENFORCED.

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1938

Czech Reserves Called
On May 21 Discharged

Praha, Czechoslovakia, June 17 (AP)—Czechoslovak reserves called to the colors May 21, when Europe appeared on the brink of war over the Sudeten German minority problem, were discharged today.

One class of reserves, numbering approximately 70,000, was called up. They, with various technical forces and troops already in the border regions, gave Czechoslovakia an estimated 500,000 men under arms.

Despite the discharge of the reserves the Government will keep the army at its present strength.

To Call 1938 Conscripts

All conscripts who are due to serve this year will be summoned at once and kept in service until October when it is hoped that a new one-year service law, instead of the present two-year requirement, will be passed.

The law under which the Government mobilized the reserves May 21 empowers it to call them up only for twenty-eight days in order to teach them the use of new weapons. Extension of this period, it was explained, would require complicated formalities.

Works On Minority Statute

In the meantime, the political committee of the Cabinet worked all day on the Government's minorities statute, and, after a brief recess, convened again tonight.

The Ministers discussed a draft of the statute point by point. They hoped to have it ready for submission to leaders of the Government coalition parties by Monday.

LEADERS OF THE SUDETEN GERMAN PARTY, REPRESENTING MOST OF THE COUNTRY'S 3,500,000 GERMANIC MINORITY, EMPHASIZED THEY HAD NOT YET SEEN THE PROPOSED STATUTE, DETAILS OF WHICH THE GOVERNMENT HAS KEPT CLOSELY GUARDED. THE SUDETEN GERMANS, MOST VOCIFEROUS OF CZECHOSLOVAKIAN MINORITIES, SAID THEY HAD HOPED TO RECEIVE A DRAFT OF THE DOCUMENT FOR STUDY LAST TUESDAY.

JUN 19 1938
IN THE GOVERNMENT'S SIDE IT WAS EXPLAINED THAT INASMUCH AS THE STATUTE WAS TO BE LAID BEFORE PARLIAMENT AS A PROPOSAL OF THE COALITION GOVERNMENT, LEADERS OF THE VARIOUS COALITION PARTIES MUST BE GIVEN AN OPPORTUNITY TO EXAMINE IT BEFORE THE DRAFT CAN BE GIVEN TO THE OPPOSITION PARTIES, WHICH TECHNICALLY IS THE STATUS OF THE SUDETEN GERMAN GROUP.

CZECH PLANE'S HOP
ANGERS NAZIS ANEW

One Berlin Paper Sees Sharp
Protest, One Warns Praha
Is "Playing With Fire"

[By the Associated Press]

Berlin, June 18—A Czechoslovak airplane, apparently a military machine which flew over German territory provoked a new outburst in the Berlin morning press today.

The *Lokal Anzeiger* said it was understood the German Government would make a "new, sharp protest" and repeated, "excuses are useless."

TOOK PHOTOGRAPHS

A report from Lam, Bavarian village about four miles from the border, said the plane flew about for thirty minutes, its passengers apparently observing and photographing the roads and buildings of the vicinity.

Commenting on the border incident at Lam, the *Berliner Tageblatt* asserted, "Germany watches over the inviolability of its borders with the same energy it concerns itself about maintenance of peace."

Hitler's Own Paper Warns

Chancellor Adolf Hitler's *Voelkischer Beobachter* accused Praha of violating "the most primitive regulations of

international law" and of using "Bolshevistic methods, thereby playing dangerously with fire."

Following German complaints of several flights by Czechoslovak planes across the German border, the Praha Government announced May 30 that pilots guilty of the offenses had been punished and that a zone on her side of the border over which Czechoslovak pilots were forbidden to fly had been widened to six miles.

Germany Drafts Austrians

A decree for the coordination of the former Austrian army with that of Germany, and an order calling the Austrian men born in 1917 to report between next August 16 and September 10 for military service were announced today in the official gazette.

The decree makes Field Marshal Hermann Wilhelm Goering's national defense laws of May, 1935, operative for the new Austrian province. These ordered all male Germans between 18 and 45 years to serve a year in the army, made a year of labor service prerequisite to military service and provided that Germans living abroad must serve their terms in Germany.

**CZECH CABINET RIET
IS DENIED IN PRAHA**

But Sudeten Germans Claim
Members Are Split Over

30.24 ~ 333

Minorities Statute

Premier Hodza Expects To
Have Measure Ready For
Parliament By July 1

[By the Associated Press]

Praha, Czechoslovakia, June 18—A Sudeten German party spokesman said today Premier Milan Hodza probably has run into opposition from within his own ranks regarding the Government's minorities statute, now in the making.

"We still have no idea of what the proposed statute looks like," said the spokesman for the party, which represents most of Czechoslovakia's 3,500,000 Germanic minority, "but the repeated postponements of its publication indicate Premier Hodza is encountering opposition among his own colleagues."

In official quarters it was denied that the Premier was opposed by his colleagues in the Coalition Government.

The minorities statute, it was said, "is almost completed," and there was said to be full agreement in the Cabinet on all points.

To Extend Conferences

Next week discussions will be arranged between Premier Hodza and representatives of Hungarian and Pol-

ish minorities. By the end of June the statute will be ready for consideration by Parliament, the Government said.

The statute had been expected to be given to the Sudeten Germans last Tuesday after weeks of preparation and conferences with leaders of the Government and various minority groups. Now there is some talk of handing a draft of the proposed statute to the Sudeten Germans next week.

In Sudeten German circles, however,

JUN 22 1938

The Sudeten German spokesman emphasized his party was convinced of the sincerity of the Premier's efforts to achieve a compromise between the Sudeten German demands for a measure of autonomy and Czechoslovak demands for maintenance of complete security and integrity of the Czechoslovakian state.

The Sudeten German districts border on Germany and the Government does not desire to give up any power in these regions which might decrease defense effectiveness.

30.24 — 333

IF PREMIER HODZA'S EFFORTS SHOULD FAIL, THE SUDETEN GERMAN SPOKESMAN SAID, "THE PROBLEM WILL FALL BACK INTO THE LAP OF THE POWER WHICH ORIGINALLY CREATED CZECHOSLOVAKIA. HENLEIN (KONRAD HENLEIN, LEADER OF THE PARTY) HAS NO FURTHER SOLUTION TO OFFER."

Hints Schuschnigg
May Get Exile Decree

Austrian Official
Announces Investigation Of Exile For Almost Is Completed

Vienna, June 21 (AP)—A high Austrian official said today that the Gestapo (State Police) investigation of Kurt Schuschnigg was almost completed. The former Chancellor of Austria might be permitted soon to go into exile in Italy. The official asked that his name be withheld.

JUN 22 1938
It was understood that Premier Benito Mussolini was among a number of foreign statesmen who pleaded with Reichsführer Adolf Hitler to spare Schuschnigg, who has been detained by Nazi authorities since the annexation of Austria March 13.

1938

LONDON, JUNE 21—(AP)—A DELEGATION OF GERMAN FINANCIAL EXPERTS ARRIVED TONIGHT TO OPEN NEGOTIATIONS WITH THE BRITISH GOVERNMENT OVER BERLIN'S REPUDIATION OF AUSTRIA'S EXTERNAL DEBTS.

XJ6.28
THE GERMANS WERE EXPECTED TO AGREE TO SOME COMPROMISE PAYMENT OF AUSTRIA'S DEBTS, BUT IT WAS CONSIDERED LIKELY THEY WOULD DEMAND CONCESSIONS REGARDING INTEREST RATES ON THE DAWES AND YOUNG LOANS.

THE DEBT TALKS WILL START TOMORROW WITH SIR FREDERICK LEITH-ROSS, BRITISH GOVERNMENT EXPERT, PRESIDING.

DIAZO-COPED
PRAHA, CZECHOSLOVAKIA, JUNE 21—(AP)—A HIGH GOVERNMENT SOURCE TODAY POINTED TO A CZECHOSLOVAK TRADE DELEGATION NOW IN BERLIN, ENDEAVORING TO SETTLE ECONOMIC ISSUES, AS EVIDENCE OF CZECHOSLOVAKIA'S EARNEST DESIRE FOR PEACE IN CENTRAL EUROPE. JUN 22 1938

THE OFFICIAL SOURCE, DISCUSSING THE CZECHOSLOVAK-GERMAN CRISIS OF A MONTH AGO, SAID THE DELEGATES WERE SEEKING A SOLUTION OF TRADE PROBLEMS WHICH ROSE FROM GERMANY'S ABSORPTION OF AUSTRIA.

NEGOTIATIONS WERE SAID TO BE PROCEEDING IN A HARMONIOUS MANNER. LAND-LOCKED CZECHOSLOVAKIA, GUARANTEED BY TREATY THE USE OF GERMAN PORTS, FORMERLY ROUTED MUCH TRADE THROUGH AUSTRIA. JUN 22 1938

REPLYING TO GERMAN CHARGES, PRINCIPALLY IN THE CONTROLLED NAZI PRESS, THAT CZECHOSLOVAKIA IS A DISTURBING ELEMENT IN MID-EUROPE, THE GOVERNMENT SOURCE SET FORTH THE CZECHOSLOVAK VERSION OF EVENTS IN THE MAY CRISIS WHEN TROOPS OF BOTH GERMANY AND CZECHOSLOVAKIA WERE MASSED NEAR THEIR JOINT FRONTIER.

CZECHOSLOVAK AUTHORITIES LEARNED ON MAY 19 THAT CONSIDERABLE TROOP MOVEMENTS WERE TAKING PLACE IN GERMANY TOWARD THE CZECHOSLOVAK FRONTIER, ACCORDING TO THIS VERSION.

THE PRAHA GOVERNMENT THE NEXT DAY INSTRUCTED DR. VOJTECH MASTNY, ITS MINISTER IN BERLIN, TO INQUIRE WHETHER THESE MOVEMENTS WERE DIRECTED AGAINST CZECHOSLOVAKIA.

MASTNY WAS TOLD GERMANY HAD NO HOSTILE INTENTIONS, BUT AT THE SAME TIME HE WAS BRUSQUELY INFORMED THAT "IF FURTHER INCIDENTS OCCURRED IN THE SUDETEN GERMAN REGIONS, GERMANY MIGHT FEEL OBLIGED TO TAKE STEPS TO PROTECT THE OPPRESSED POPULATION THERE."

(THE SUDETEN REGIONS OF CZECHOSLOVAKIA, BORDERING GERMANY, ARE THE HOME OF MOST OF HER 3,500,000 GERMANIC MINORITY.)

AS A RESULT OF THE WARNING TO MASTNY, CZECHOSLOVAKIA WAS DECLARED TO HAVE "FOUND IT NECESSARY" TAKE MILITARY PRECAUTIONS, ESPECIALLY IN VIEW OF THE TENSION IN THE SUDETEN GERMAN REGIONS.

THIS OFFICIAL SOURCE EXPRESSED HOPE FOR AN AMICABLE SOLUTION OF THE SUDETEN GERMAN QUESTION WITHIN THE NEXT FEW WEEKS, ALTHOUGH THE PROBLEM IS DIFFICULT AND COMPLICATED.

PRESIDENT EDUARD BENES WAS SAID TO BE EXERCISING FULL PERSONAL AUTHORITY TO HASTEN A SOLUTION WHICH HE HOPES WILL BRING BETTER RELATIONS WITH GERMANY.

WE1156PD

Anglo-German Talks Begin

Expect Reich Compromise on Settlement of Austrian External Debt. XJ6.28

JUN 23 1938
LONDON, June 22 (A. P.)—Talks on Austrian debts and British loans to Turkey, obstacles to British-German friendship, started today with arrival of a delegation of German financial experts.

Of immediate concern was Germany's repudiation of German Austria's external debts. It was expected that in the negotiations the Germans would agree to some compromise payment of these, but would demand concessions regarding interest rates on the Dawes and Young plan loans, floated after the war to finance German reparations.

The Austrian trouble concerns Austrian international loans of some \$120,000,000 granted in 1933 and 1934 for reconstruction of the country. Sir John Simon, Chancellor of the Exchequer, told the House of Commons June 14 that Britain might terminate the Anglo-German clearing agreement at the end of June if a "satisfactory settlement" of the Austrian debt question was not reached. His hearers believed he was hinting the Government might take over German credits.

The guarantor powers could collect from Germany through a "clearing arrangement" because Germany sells them more goods than she buys. Her "favorable trade balance" thus means credits that can be commanded. Since the absorption of Austria March 13, Germany has declined to pay interest on the loans and has stated she does not consider herself bound by them. With the exception of Italy, Germany's axis partner, the

In the first quarter of 1938, for instance, Germany sold about \$40,000,000 worth of goods to Britain and bought from her only \$25,000,000 in goods, plus \$5,000,000 in re-exports. That leaves Germany a balance here of \$10,000,000.

Under a "clearing arrangement" enough money will be deducted from this balance to pay the Austrian loan interest, at least on that part which Britain has guaranteed.

The fact that British business and financial interests are showing impatience with the state of their German securities and are demanding a firm hand" against Reichsfuehrer Hitler does not make Chamberlain's task any easier.

Up to now these interests have seemed to support the idea of "appeasement" with Germany. Now it seems they want their money whether Germany likes it or not.

Germany Threatened By Britain On Loans

JUN 22 1938
London Mission To Creditors Will Be Blocked Unless Austrian Debt Is Paid

London, June 22 (P)—A German debt mission began preliminary negotiations with Great Britain on disowned Austrian debts today in the face of a clear warning that Britain intends to block German credits if necessary to get payment.

There were indications that Ger-

man Balance.

1938

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many was willing to come to an agreement on the Austrian loans if she were granted interest rate concessions on her Dawes and Young plan debts.

Unless an agreement is forthcoming by June 30, Britain is ready to suspend the 1934 British-German commercial payments agreement preparatory to setting up a clearing system by which she could commandeer German credits ~~UN~~ to meet Austrian loan interests.

"FAVORABLE TRADE BALANCE," ~~MEANS CREDITS THAT CAN BE~~
COMMANDERED.

BRITAIN HAD GUARANTEED ONE-THIRD OF INTERNATIONAL LOANS OF SOME \$120,000,000 GRANTED TO AUSTRIA IN 1933 AND 1934. OTHER GUARANTORS WERE ITALY, FRANCE, CZECHOSLOVAKIA, BELGIUM, SWEDEN, DENMARK, SWITZERLAND AND THE NETHERLANDS.

JUN 23 1938

MT146ED
THE MAIN OBSTACLE TO ANGLO-GERMAN UNDERSTANDING AND SUBSEQUENTLY PRIME MINISTER NEVILLE CHAMBERLAIN'S FOUR-POWER FRIENDSHIP PROJECT ~~BETWEEN~~ BETWEEN BRITAIN, FRANCE, ITALY AND GERMANY IS CZECHOSLOVAKIA.

THE GRANTING OF BRITISH CREDITS TO TURKEY AND THE POSSIBILITY THESE MIGHT BE EXTENDED TO TURKEY'S BALKAN NEIGHBORS ALSO SERVES TO COMPLICATE THE SITUATION.

JUN 23 1938

IN THE BACKGROUND IS GERMANY'S DEMAND FOR COLONIES. ~~LAW~~ SIR FREDERICK LEITH-ROSS, CHIEF ECONOMIC ADVISOR TO THE ~~BRITISH~~ BRITISH GOVERNMENT, IS NEGOTIATING WITH GERMANY.

THE GUARANTOR POWERS COULD COLLECT FROM GERMANY THROUGH A ~~SECRET~~ "CLEARING ARRANGEMENT" BECAUSE GERMANY SELLS THEM MORE GOODS THAN SHE BUYS ~~FROM~~ - HENCE GERMANY HAS, IN MOST OF THE GUARANTOR STATES, WHAT THE EXPERTS CALL A SURPLUS.

Turkish
IN THE OTHER MATTER, BRITAIN RECENTLY EXTENDED ~~that country~~ \$50,000,000 IN COMMERCIAL CREDITS TO TURKEY FOR INDUSTRIAL MACHINERY.

JUN 23 1938

GERMANY, WHICH EARLIER HAD MADE KRUPP WORKS CONTRACTS WITH THE TURKS, APPARENTLY FEELS THAT BY DOING THIS BRITAIN IS STEPPING INTO GERMANY'S ECONOMIC BACK YARD.

SHE THINKS BRITAIN MIGHT DO THE SAME THING WITH RUMANIA AND GREECE.

HITLER MAY, THEREFORE, SAY THAT HIS ABILITY TO ~~RUMANIA~~ PAY OFF THE AUSTRIAN LOANS DEPENDS ON GETTING A CLEAR RIGHT OF WAY FOR EXPANSION IN THE DANUBIAN BASIN.

SOME LONDONERS THINK HITLER'S SUSPICIONS OF BRITISH ECONOMIC EXPANSION IN THE BALKANS ARE EXAGGERATED, BECAUSE THE BALKANS' ABILITY TO PAY OFF IS DOUBTED HERE. THAT IS NOT SO WITH TURKEY.

JUN 29 1938

LATELY, GERMANY HAS SAID VERY LITTLE ABOUT THE COLONIES SHE USED TO OWN. SHE NEVER HAS SAID EXACTLY WHAT SHE WANTS ALONG THAT LINE.

1938

THAT INCREASES BRITISH SUSPICIONS THAT HITLER DOES NOT
WANT COLONIES FOR ECONOMIC PURPOSES; THAT HE WANTS THEM, INSTEAD,
FOR PRESTIGE. BRITAIN REMAINS UNWILLING TO GIVE THEM TO HIM
JUN 23 1938
UNTIL HE MAKES SOME CONTRIBUTION TO DISARMAMENT.

PRAGUE, June 23 (A. P.)— Premier Milan Hodza and most of his Cabinet met today with representatives of the autonomy-seeking Germanic minority for a two and a half hour discussion of Czechoslovakia's troubles of international origin.

Five members of the Sudeten German party presented a "detailed elucidation" of their demands concerning the Government's proposed minorities statute, according to a joint communique issued at the close of the conference.

PRAHA, JUNE 23—(AP)—GOVERNMENT OFFICIALS AND REPRESENTATIVES OF AUTONOMY-SEEKING SUDETEN GERMANS TODAY DISCUSSED THEIR DIFFERENCES IN TWO CONFERENCE SESSIONS.

IT WAS ANNOUNCED AFTER THE SECOND MEETING THAT GOVERNMENT REPRESENTATIVES QUESTIONED SUDETEN GERMAN DEPUTIES ON THE MORE IMPORTANT POINTS OF THE GERMAN MINORITY'S DEMANDS FOR AUTONOMY.

AJ735PED

GENEVA, JULY 23—(AP)—LEAGUE CIRCLES SAID TODAY THE UNITED STATES WOULD PROPOSE AT THE INTERNATIONAL REFUGEE CONFERENCE TO BE HELD AT EVIAN-LES-BAINS, FRANCE, JULY 6 THAT ALL PERSONS WISHING TO LEAVE GERMANY AND THOSE WHO ALREADY HAVE LEFT BE CONSIDERED REFUGEES AND THAT PLANS BE MADE FOR THEIR ASSISTANCE.

LEAGUE CIRCLES SAID THE AMERICAN PROPOSAL WOULD INCLUDE "ALL EVENTUAL REFUGEES WHO FOR POLITICAL OR RELIGIOUS REASONS WOULD WISH, OR BE OBLIGED, TO LEAVE THE REICH."

THE CONFERENCE, SUGGESTED BY PRESIDENT ROOSEVELT, ALSO WILL EXAMINE IMMIGRATION LAWS. TWENTY-SEVEN GOVERNMENTS ARE EXPECTED TO BE REPRESENTED.

U135PED

BY DEWITT MACKENZIE

ASSOCIATED PRESS FOREIGN AFFAIRS WRITER

NEW YORK, JUNE 23—THE PROJECTED CONFERENCE OF MORE THAN THIRTY NATIONS AT EVIAN, FRANCE, INITIATED BY WASHINGTON TO FACILITATE THE IMMIGRATION OF POLITICAL REFUGEES, WILL HAVE TO GRAPPLE WITH ONE OF THE WORLD'S GRAVEST PROBLEMS, AND ONE THAT IS BECOMING MORE ACUTE HOURLY.

ONE WOULD HAVE TO REFER TO THE MIDDLE AGES TO FIND A SITUATION COMPARABLE WITH THE PRESENT PLIGHT OF EUROPEAN JEWRY IN GENERAL, AND GERMAN JEWRY IN PARTICULAR.

THAT WOULD TAKE US BACK TO THE DAYS WHEN THE JEWS OF GERMANY WERE LOOKED UPON AS THE PERSONAL PROPERTY OF THE SOVEREIGN. BACK TO THE TIME WHEN ENGLAND DROVE THE HEBREWS ~~FROM~~ HER SHORES.

TO BE SURE, IN 1892 IMPERIAL RUSSIA FORCED 225,000 JEWS FROM THE COUNTRY BY IMPOSITION OF HARD RESTRICTIONS. BUT THIS WAS MILD AS COMPARED WITH THE NAZI DRIVE TO ELIMINATE THE 300,000 JEWS OF GERMANY AND THE 150,000 OF AUSTRIA.

NAZI MINISTER OF PROPAGANDA JOSEPH GOEBBELS, SPEAKING IN THE MIDST OF AN ANTI-SEMITIC CAMPAIGN WHICH HAS BEEN MARKED BY VIOLENCE AGAINST THE JEWS, GAVE CLEAR INDICATION OF HIS COUNTRY'S INTENTION. HE ASSURED HIS HEARERS THAT THE JEWS WOULD BE CLEARED OUT OF BERLIN "VERY SOON."

AND WHERE ARE THESE UNHAPPY HOSTS WITHOUT A COUNTRY TO GO, ESPECIALLY WHEN THEY ARE DEPRIVED OF ALL BUT ABOUT A TENTH OF THEIR POSSESSIONS WHEN THEY DEPART?

1938

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WHAT LANDS CAN FIND PLACES FOR IMPOVERISHED IMMIGRANTS IN THESE HARD TIMES?

THOSE ARE QUESTIONS FOR THE EVIAN CONFERENCE TO RUMBLE ITS HAIR OVER.

IN THE LAST FIVE YEARS 150,000 JEWS—ONE THIRD OF GERMAN JEWRY—HAVE LEFT THE COUNTRY. THE NAZI AUTHORITIES ARE NOW APPLYING ECONOMIC AND PHYSICAL PRESSURE TO THE 450,000 REMAINING IN GERMANY AND AUSTRIA.

THE ANTI-SEMITIC FORCES IN OTHER CENTRAL AND EASTERN EUROPEAN COUNTRIES SUCH AS POLAND, RUMANIA, HUNGARY AND LITHUANIA, HAVE BEEN STRENGTHENED BY EVENTS IN GERMANY. JEWISH LEADERS EXPRESS THE FEAR THAT THE REFUGEE PROBLEM MAY ASSUME EXTRAORDINARY PROPORTIONS IF ANTI-SEMITIC GOVERNMENTS AND ORGANIZATIONS GET THE IMPRESSION THAT THEY CAN SOLVE THEIR JEWISH PROBLEM BY EXPELLING THEIR JEWS AND TRUSTING THE REST OF THE WORLD TO ABSORB THEM.

THE GRAVITY OF THE POSITION MAY BE SEEN FROM THE FACT THAT SOME 5,000,000 JEWS ARE INVOLVED IN VARIOUS ANTI-SEMITIC COUNTRIES. COULD THE OUTSIDE WORLD ABSORB AND PROVIDE FOR THEM? IT IS EXPECTED THAT JEWRY WILL PRESENT THIS THOUGHT TO THE EVIAN CONFERENCE.

THE PARLEY PROBABLY WILL BE ASKED TO CONSIDER THE REFUGEE PROBLEM FROM AT LEAST THESE TWO ANGLES:—FIRST, THE FEASIBILITY OF TRYING TO DIMINISH ANTI-SEMITIC PRESSURE THROUGH REPRESENTATIONS TO THE VARIOUS GOVERNMENTS CONCERNED, AND OF URGING THE RIGHT OF THOSE EXPELLED TO TAKE THEIR PROPERTY WITH THEM; SECOND, A SURVEY OF THE POSSIBILITIES OF IMMIGRATION AND AN EFFORT TO OBTAIN HOMES FOR A MAXIMUM NUMBER OF REFUGEES.

THE PRINCIPAL DIFFICULTY IN HANDLING THIS VAST PROBLEM NATURALLY IS MONEY. THE COST OF SUCH AN EMIGRATION PROJECT ON A LARGE SCALE IS TREMENDOUS. IT IS ESTIMATED, FOR EXAMPLE, THAT IT REQUIRES ABOUT \$500 TO TRANSPORT AND SETTLE EACH REFUGEE. ON THIS BASIS, IT WOULD TAKE \$50,000,000 TO PROVIDE FOR ONLY 100,000 PEOPLE. AND THIS DOESN'T INCLUDE THE MAINTENANCE OF FAMILIES THAT MUST FIRST BE ABSORBED INTO THE ECONOMIC LIFE OF THE COUNTRIES TO WHICH THEY FLEE.

WHERE CAN THE JEWISH REFUGEES GO? THE UNITED STATES HAS AN ANNUAL IMMIGRATION QUOTA OF 27,000 FOR GERMANY. MANY JEWISH LEADERS ARE HOPING THAT BRITAIN WILL BE ABLE IN SOME WAY TO SETTLE 50,000 ANNUALLY IN PALESTINE. TWENTY THOUSAND MORE MIGHT BE TAKEN CARE OF BY SOUTH AMERICA, AUSTRALIA, SOUTH AFRICA AND CANADA BETWEEN THEM.

THAT WOULD PROVIDE FOR A TOTAL OF 100,000 WANDERERS YEARLY. AND IF THE NUMBER FAR EXCEEDS 100,000, AS IT MAY EASILY DO, THEY STILL MUST BE CARED FOR. THAT'S UP TO EVIAN.

AUSTRIA TO FEEL LABOR DRAFT FIRST

Nazi Decree Goes Into Effect July 1 for Big Building Program

BERLIN, June 24 (AP).—Germany's economic dictator Field Marshal Hermann Wilhelm Goering, with the stroke of his pen has revolutionized Germany's labor conditions and placed the burden of his four-year plan on the shoulders of every able-bodied German man and woman.

The decree, effective July 1, makes all subject to labor for the state. It is interpreted in official circles as a decisive step toward forestalling slackening of work, especially on

EMPLOYMENT
Reichsfuehrer Hitler's building pro-

exploitation of ore, coal and iron deposits, the production of synthetic gasoline and rubber and the discovery of other substitutes for foreign raw materials.

An acute labor shortage has threatened this program, which was inaugurated June 14 when Hitler laid the cornerstone of the first of a series of new structures to rebuild Berlin. The Berlin program alone is estimated to cost \$1,440,000,000.

The spokesman in the Reich's Labor Office explained that, although details of execution of Goering's order are not yet available, efforts first will be directed toward rapid reduction of unemployment in Austria.

Airport Building

While emphasis was laid on economic aspects of the four-year plan, of which the building program is part, a Propaganda Minister

man admitted the plan might overlap military projects to the point where erection of barracks and airports was involved.

This, however, referred chiefly to Austria, where Goering ordered work under his four-year plan to begin May 13.

Economic incorporation of Austria into the Reich is to be pushed ahead full speed. Numerous subsidiary decrees already have been issued to adapt Austrian economy to requirements of the four-year plan.

Germany's efforts at self-sufficiency have been under way since 1936, and center chiefly on efficient

Skilled Labor
The newest province still has approximately 360,000 unemployed, compared with 600,000 before Anchluss, and thus is regarded as an emergency reservoir for replenishing army laborers in the rest of Germany.

A Labor Office official explained that, while Goering's order theoretically affects every man and woman able to work, there is a special lack of technicians, engineers, bricklayers and other skilled workers in Germany proper.

The spokesman said the decree aims chiefly at getting hold of these experts. If, for instance, these men are available in a community and

not needed there, they will be transferred to other places where reconstruction work is more pressing.

Civil servants and clerical workers also may be called for service and their present jobs filled by women. The decree provides, however, that unmarried workers will be drafted first.

Jews Subject to Draft
That Jews also will be included in the sweeping measure was indicated by the word "Staatsangehoerige" (dependents of the state), which would include Jews, instead of "Staatsbuerger" (first class citizens), in the announcement.

Since official statistics show only

37,000 persons of full working capacity are unemployed in the Reich—the remainder of the 390,000 unemployed for various reasons being only partially employable—it follows, Goering's paper says, that the great economic tasks under the four-year plan have been halted because, while plans, funds and materials were ready, there was a shortage of workers.

The paper admits that extremely careful management will be needed so that important private enterprises will not be crippled.

The number of new labor recruits will not be "excessively large," the organ said it understood.

The "state claims the right to invade the private sphere of every individual when vital tasks call for immediate accomplishment," it added.

BERLIN, JUNE 24-(AP)-FIELD MARSHAL HERMANN WILHELM GOERING'S NEW ORDINANCE MAKING EVERY MAN AND WOMAN IN GERMANY, REGARDLESS OF AGE, CLASS OR OCCUPATION, LIABLE FOR A PERIOD OF LABOR SERVICE, WILL APPLY PRIMARILY TO CHANCELLOR HITLER'S VAST BUILDING PROGRAM. IT WAS MADE CLEAR TODAY.

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THE NATIONAL ZEITUNG OF ESSEN, GOERING'S ORGAN, SAID, HOWEVER, THAT PRECISE DETAILS OF THE SCOPE AND PURPORT OF THE ORDINANCE MUST REMAIN UNDISCLOSED FOR THE REASON THAT THE FIELD MARSHAL, WHO IS CHIEF OF THE FOUR-YEAR PLAN FOR ECONOMIC SELF-SUFFICIENCY, HIMSELF WILL DECIDE FOR WHAT CONCRETE PURPOSES THE NEW LABOR SERVICE WILL BE MADE AVAILABLE.

BUT THE PAPER SAID THE PROJECTS WOULD BE NON-MILITARY AND CONNECTED WITH THE NATION-WIDE CONSTRUCTION PROGRAM INAUGURATED JUNE 14 WHEN HITLER LAID THE CORNERSTONE OF THE FIRST OF A SERIES OF MAGNIFICENT NEW STRUCTURES DESIGNED TO REBUILD BERLIN. THE BERLIN PROGRAM ALONE, IT IS ESTIMATED, WILL COST \$1,440,000,000.

SKILLED OPERATIVES ALSO ARE NEEDED FOR DEVELOPING ORE DEPOSITS IN GERMANY AND SPEEDING MANUFACTURE OF CHEAP POPULAR AUTOMOBILES AND SYNTHETIC GASOLINE.

HITLER LAID THE CORNERSTONE MAY 26 FOR A NEW AUTOMOBILE FACTORY TO PRODUCE K.D.F. CARS—"KRAFT DURCH FREUDE" (STRENGTH THROUGH JOY.) THE LABOR FRONT, WHICH STARTED THE PROJECT, PLANS TO SELL THEM AT \$396 ON WEEKLY INSTALLMENTS AS LOW AS \$2.

THE ZEITUNG ADMITS THAT EXTREMELY CAREFUL MANAGEMENT WILL BE NEEDED SO THAT IMPORTANT PRIVATE ENTERPRISES WILL NOT BE CRIPPLED.

UNMARRIED PERSONS WILL BE CALLED FIRST, THE PAPER ADDED, AND THE

UTMOST DISCRIMINATION WILL BE USED AS TO WHAT STATE PROJECTS ARE "IMMEDIATE" AND "VITAL."

THE NUMBER OF NEW LABOR RECRUITS WILL NOT BE "EXCESSIVELY LARGE," THE ORGAN SAID IT UNDERSTOOD.

THE "STATE CLAIMS THE RIGHT TO INVADE THE PRIVATE SPHERE OF EVERY INDIVIDUAL WHEN VITAL TASKS CALL FOR IMMEDIATE ACCOMPLISHMENT," IT ADDED.

WASHINGTON, JUNE 24-(AP)-SECRETARY HULL INDICATED TODAY THIS GOVERNMENT WOULD INSIST THAT GERMANY ACCORD THE UNITED STATES EQUAL TREATMENT WITH GREAT BRITAIN AND OTHER POWERS IN ANY SETTLEMENT OF AUSTRIA'S DEBTS.

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HULL, QUESTIONED ABOUT REPORTS THAT GERMANY AND GREAT BRITAIN HAVE AGREED ON A SETTLEMENT, DECLARED THAT THE CENTRAL POINT OF AMERICA'S ECONOMIC PROGRAM IS EQUALITY OF TREATMENT AND NO DISCRIMINATION.

GERMANY HAS ARGUED IN THE PAST THAT IT WAS EASIER TO PAY BRITISH AND FRENCH CREDITORS THAN AMERICANS BECAUSE THE GERMAN BALANCE OF TRADE WAS FAVORABLE IN THE CASE OF THOSE COUNTRIES AND UNFAVORABLE IN THE CASE OF THE UNITED STATES.



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BERLIN, JUNE 25—(AP)—SIX WEEKS OF NEGOTIATIONS BROUGHT
GERMAN-CZECHOSLOVAK AGREEMENT TODAY ON SEVERAL POINTS OF NEGOTIATION.
OVER READJUSTMENT OF THE CZECHOSLOVAK TRADE POSITION WITH AUSTRIA.

THE MAIN QUESTION RELATING TO FUTURE SUPPLIES OF CZECHOSLOVAK
LIGNITE, ON WHICH MANY AUSTRIAN INDUSTRIES DEPENDED BEFORE THE
AUSTRO-GERMAN UNION IN MARCH, WAS SETTLED BY ~~JUNE 28 1938~~ SLIGHT RE-
DUCTIONS IN AMOUNTS SHIPPED FROM CZECHOSLOVAKIA.

A CZECHOSLOVAK DELEGATION TO THE NEGOTIATIONS HERE RETURNED
TONIGHT TO PRAHA WHERE TALKS WITH GERMAN REPRESENTATIVES ON TARIFF
QUESTIONS ARE TO BE RESUMED SOON.

WRITERS CHEER EXILES

Names of Freud and Auernheimer Applauded in Prague

~~PRAGUE, CZECHOSLOVAKIA, June 27 (AP).~~—Mention of the names of Dr. Sigmund Freud, psychoanalyst, and Raoul Auernheimer, playwright, today brought delegates to the international convention of P. E. N. clubs to their feet, cheering.

Jules Romain, French writer, started the outburst by a declaration of sympathy for the distinguished Austrians, declaring:

"It would be asking too much to expect us to close our eyes to what has happened to such outstanding members of the P. E. N. clubs as Freud and Auernheimer."

[Dr. Freud is in exile in England because of the German annexation of Austria.]

Germany was not represented at the convention, and the Italian delegate left soon after the meeting opened. It was believed he differed with the executive board on the matter of free criticism.

Premier Milan Hodza of Czechoslovakia gave the official welcome.

BY ALVIN J. STEINKOPF

SARAJEVO, YUGOSLAVIA, JUNE 27—(AP)—SOMEONE PLACED A HANDFUL OF CARNATIONS TODAY ON THE OBSCURE GRAVE OF GAVRILo PRINZIP, THE YOUTH WHOSE WELL-AIMED PISTOL SHOTS 24 YEARS AGO TOUCHED OFF THE WORLD WAR. OTHERWISE, THIS SEMI-ORIENTAL CITY DROWSED IN THE HEAT OF A BOSNIAN SUMMER AND TOOK LITTLE NOTE THAT THE ARCHDUCHE ~~FERDINAND~~ FERDINAND OF AUSTRIA-HUNGARY WAS ASSASSINATED HERE BY PRINZIP ON JUNE 28, 1914.

THE AUTHORITIES DIDN'T KNOW ABOUT THE CARNATIONS AND DIDN'T CARE. PRINZIP WAS LARGELY A FORGOTTEN MAN, MENTIONED ONLY BY A FEW OF THE MORE REVOLUTIONARY STUDENTS LOITERING IN THE COFFEE HOUSES.

TOURISTS MANIFESTED MILD INTEREST IN THE LITTLE BRIDGE OVER THE MILJAZKA RIVER IN THE HEART OF THE CITY, NEAR WHICH FRANZ FERDINAND AND HIS WIFE, THE PRINCESS SOPHIE, WERE SLAIN BY PRINZIP'S SHOTS.

A GUIDE TODAY EXPLAINED THAT THE SPOT WAS WELL-CHOSEN, THAT YOUNG PRINZIP RECKONED WITH THE FACT THE CROWN PRINCE'S CARRIAGE WOULD HAVE TO SLOW DOWN BEFORE MAKING A SHARP TURN TO CROSS THE BRIDGE. A SIMPLE TABLET MARKS THE SPOT, AND SOME SARAJEVO CITIZENS THINK THAT IS TOO MUCH.

THERE WAS SOME CAUSTIC COMMENT WHEN THE TABLET WAS UNVEILED JUNE 28, 1929, MANY CRITICS HOLDING THAT AN INCIDENT WHICH CAUSED SO MUCH SUFFERING TO THE WORLD SHOULD ~~HAD~~ HAVE BEEN COMMEMORATED WITH SUCH CEREMONY.

THE BODY OF PRINZIP WAS BROUGHT TO SARAJEVO FOR BURIAL IN 1929. HE AND HIS FELLOW CONSPIRATORS, NEDELJKO TSCHABRINOWITSCH AND TRIFKO GRABESCH, DIED IN PRISON WHILE THEY WERE SERVING 20-YEAR SENTENCES FOR THEIR ASSAULT ON THE CROWN PRINCE.

IT WAS THE MOST SEVERE SENTENCE AUSTRO-HUNGARIAN JUSTICE COULD METE OUT, BECAUSE IN THOSE DAYS THE DEATH PENALTY COULD NOT BE IMPOSED ON MINORS.

THERE WAS MIXED FEELING HERE TODAY, WITH REGARD TO THEIR ACT. SOME HELD THEM TO BE HEROIC MARTYRS, WHILE OTHERS BELIEVED THEM TO BE ORDINARY CRIMINALS. THE MAJORITY APPARENTLY HAD FORGOTTEN ABOUT THEM.

(AUSTRIA-HUNGARY DECLARED WAR ON SERBIA JUNE 28, 1914. ONE MONTH AFTER THE ASSASSINATIONS. GERMANY DECLARED WAR ON RUSSIA AUG. 1. FRANCE ENTERED THE CONFLICT AUGUST 3. BRITAIN AND BELGIUM ON AUGUST 4.)

Urged

Sarajevo Takes Little Notice Of Its 24th War Anniversary

³⁰⁻²³
Little Bouquet Withers on Grave of Prinzip,
Whose Pistol Shots Brought Conflict
in Which Millions Died.

³⁰⁻²⁴
SARAJEVO, Jugoslavia, June 28 (A. P.).—This Bosnian city, the scene twenty-four years ago of the assassinations of Archduke Franz Ferdinand and his wife, the Princess Sophie, of Austria-Hungary, took little notice of the anniversary today of the incident that started the world war.

A little bouquet of carnations withered on the almost forgotten grave of Gavrilo Prinzip, the youth whose pistol shots made Sarajevo historic. A few tourists showed interest in the little bridge over the Miljazka River, named now by a tablet, where the shots were fired June 28, 1914.

That was all.

The anniversary served to revive the question that often is mildly debated in Sarajevo—was Prinzip a hero or only a misguided youth?

One man who speaks with authority is Dr. Milan Pfeiffer, who was examining magistrate at the time and took the first statements from Prinzip after the slaying of the Austrian Archduke. Dr. Pfeiffer still lives here. In a recent volume of reminiscences he described Prinzip as courageous and convinced the slaying was an act of the highest patriotism. The assassination, after a world convulsion, led to the freedom of his native Bosnia and the creation of the Yugoslav nation.

There are no monuments to Prinzip. He is not counted among distinguished Yugoslav patriots. There is no song about him.

The situation is such that Premier Edouard Daladier recently declared, "We have already been within a few centimeters of war." A danger spot of the moment is Czechoslovakia, a nation created by the Versailles Treaty, with a Germanic minority over which Chancellor Adolf Hitler has proclaimed protection.

In the very fields where more than 8,000,000 men of many nations, including the United States, fought and died during the four war years, European nations are building defenses—and offensive bases.

In Versailles Treaty little is left. The League of Nations still functions, but without much power given it by the majority of its members. No reparations payments have been made since 1931. Guarantees enforcing the treaty have lapsed or been abandoned. France alone is paying about \$3,000,000 a day for the last war and for enormous preparations for the next war—if there is one.

³⁰⁻²⁵
NEW YORK, JUNE 28—(AP)—J. P. MORGAN & CO., ACTING IN ITS CAPACITY AS SERVICE AGENTS IN AMERICA, TODAY NOTIFIED HOLDERS OF THE AUSTRIAN GOVERNMENT INTERNATIONAL LOAN OF 1930 THAT SUFFICIENT FUNDS WERE IN HAND TO PAY ON JULY 1 BUT FIVE-SIXTHS OF THE DOLLAR FACE AMOUNT OF THE COUPONS DUE ON THAT DATE.

⁺⁵⁶⁻²⁸
JUN 29 1938
THE FIRM SUPPLIED HOLDERS OF THE AUSTRIAN BONDS WITH TEXTS OF VARIOUS NOTES AND CABLEGRAMS OF PROTEST FILED WITH THE GERMAN GOVERNMENT OVER THE FAILURE TO PROVIDE FULL SERVICE DUE ON THE AUSTRIAN GOVERNMENT ISSUE.

THE MORGAN FIRM REVEALED THAT JUNE 24 IT SENT THE FOLLOWING CABLEGRAM TO THE MINISTER OF FINANCE OF THE GERMAN REICH:

"WE HAVE BEEN ADVISED BY THE BANK FOR INTERNATIONAL SETTLEMENTS, TRUSTEE OF THE AUSTRIAN GOVERNMENT INTERNATIONAL LOAN 1930, THAT IT

DID NOT RECEIVE, ON JUNE 1, 1938, THE SERVICE INSTALLMENT PAYABLE TO THE SERVICE AGENTS ON THAT DAY AND THAT IT HAS NOT RECEIVED THE PLEDGED REVENUES OUT OF WHICH THE CURRENCIES REQUIRED FOR SUCH INSTALLMENT WERE TO BE PROVIDED; AND THAT, THEREFORE, IF THERE IS NO CHANGE IN THE PRESENT POSITION BEFORE JULY 1, THE TRUSTEE WILL NOT BE ABLE TO PAY MORE THAN FIVE-SIXTHS ON THE JULY 1, 1938 COUPON OF BONDS OF THE AMERICAN TRANCHE OF THE LOAN.

"AS YOU HAVE ALREADY BEEN REMINDED BY THE TRUSTEE, THE GERMAN REICH HAS TAKEN OVER ALL THE ASSETS ON WHICH THE LOAN WAS AMPLY AND WITH PRIORITY SECURED. THEREFORE, IN THE INTEREST OF BONDHOLDERS, FOR OURSELVES AND OUR ASSOCIATES, WE PROTEST WITH THE UTMOST POSSIBLE VIGOR AGAINST ANY FAILURE UNDER THE CIRCUMSTANCES ON THE PART OF THE GOVERNMENT OF THE GERMAN REICH, FOR ANY REASON WHATSOEVER, TO FULFILL ITS OBLIGATIONS IN RESPECT OF THE LOAN. WE URGE UPON THE GERMAN GOVERNMENT FOR THE SAKE OF GOOD FAITH TO THE BONDHOLDERS AND OF EQUITY THAT STEPS BE TAKEN WITHOUT DELAY TO ASSURE CONTINUED

1938

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REGULAR SERVICE OF THE AUSTRIAN GOVERNMENT INTERNATIONAL LOAN 1938.

THE MORGAN FIRM, IN ITS NOTIFICATION TO HOLDERS OF THE SITUATION, POINTED OUT THAT FIVE MONTHLY INSTALLMENTS ON THE AUSTRIAN LOAN SERVICE HAD BEEN RECEIVED UP TO AND INCLUDING MAY 1. ONE MORE MONTHLY INSTALLMENT ON SERVICE ACCOUNT WAS REQUIRED TO COMPLETE THE JULY 1 COUPON PAYMENT.

WE1132PFD

VIENNA, JUNE 29-(AP)-THE OFFICIAL NAZI ORGAN, VOELKISCHER BEOBACHTER PUBLISHED THE NAMES TODAY OF 7,126 VIENNA JEWS "TEMPORARILY REMOVED" FROM THE LIST OF PRACTICING LAWYERS.

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PERMISSION WAS GRANTED, HOWEVER, FOR 1,090 JEWISH WAR VETERANS TO CONTINUE THEIR LAW PRACTICES.

JH022AED

PRAHA, CZECHOSLOVAKIA, JUNE 29-(AP)-FOREIGN OFFICE OFFICIALS TODAY PROFESSED TO KNOW NOTHING OF A GERMAN PROTEST AGAINST LAMPOONING OF ADOLE HITLER AS REPORTED BY AN OFFICIAL GERMAN NEWS AGENCY DISPATCH.

NUMEROUS SATIRICAL DITTIES WITH THE NAZIS AS TARGETS ARE CURRENT IN CZECHOSLOVAKIA, SUNG BY SOLDIERS AND SCHOOL-BOYS, BUT IT WAS SAID THEY ARE NOT TAUGHT IN SCHOOLS AS ALLEGED BY THE GERMAN DISPATCH.

ONE OF THE SONGS, WHICH ORIGINATED IN AN ARMY BARRACKS, RUNS SOMETHING LIKE THIS:

"WE'LL CLOUT YOU ON THE BEAN, HITLER,
"SO NO ONE CAN PUT YOU TOGETHER AGAIN;
"THEN, HITLER, YOU WILL REALIZE
"THAT CZECHS CAN FIGHT, TO YOUR SURPRISE."

AS THE FOREIGN OFFICE DISCLAIMED KNOWLEDGE OF ANY PROTEST, PREMIER MILAN HODZA CONTINUED TALKS WITH POLITICAL LEADERS SEEKING A SOLUTION OF THE VEXATIOUS MINORITIES PROBLEM WHICH HAS CAUSED TENSION

DITH GERMANY.

HE RECEIVED POLISH AND HUNGARIAN MINORITY LEADERS FOR CONVERSATIONS THAT WERE EXPECTED TO CONTINUE FOR SEVERAL DAYS.

DH111AED

BERLIN, JUNE 29-(AP)-GERMANY PROTESTED SHARPLY TO CZECHOSLOVAKIA TODAY, CHARGING REICHSFUEHRER ADOLF HITLER RECENTLY WAS LAMPOONED IN ELEMENTARY SCHOOLS AT BRNO, CAPITAL OF MORAVIA, AND IN OTHER DISTRICTS.

AN OFFICIAL GERMAN NEWS AGENCY DISPATCH FROM PRAHA SAID THE GERMAN ENVOY TOLD THE CZECHOSLOVAK FOREIGN OFFICE THE "UNTENABLE SITUATION" MUST END IMMEDIATELY AND THOSE RESPONSIBLE MUST BE PUNISHED.

THE NEWS AGENCY SAID THAT AN OFFENSIVE SONG ABOUT HITLER WAS SUNG NOT ONLY WITH THE TOLERANCE OF THE TEACHERS, BUT THAT THE TEACHERS HAD WRITTEN THE SONG ON THE BLACKBOARD SO THE CHILDREN COULD COPY IT IN THEIR NOTEBOOKS.

IT WAS DESCRIBED AS THE "SAME SONG OF HATE" SUNG BY MARCHING CZECHOSLOVAK SOLDIERS IN VARIOUS DISTRICTS.

DUSPED

VIENNA, JUNE 29-(AP)-THE BULK OF AUSTRIA'S PRIVATELY OWNED ELECTRICAL, STEEL AND AUTOMOBILE INDUSTRIES PASSED INTO THE GOVERNMENT'S HANDS TODAY TO BE INCORPORATED IN THE NEW STATE-OWNED HERMANN GÖTTSCHE STEEL WORKS.

7-1938 X 6.5

AN OFFICIAL ANNOUNCEMENT DISCLOSED THAT A MAJORITY OF THE STOCK OF THE COMPANIES BECAME AVAILABLE TO THE GOVERNMENT THROUGH THE MERGER JUNE 18 OF THE THREE LARGEST AUSTRIAN BANKS--THE MERKURBANK, LAENDERBANK AND ZIVNOSTENSKA--WHICH NOW ARE UNDER THE DOMINATION OF THE STATE-OWNED DRESDNER BANK.

INCLUDED IN THE TRANSFER WERE THE STEYR, DAIMLER AND PUCH AUTOMOBILE WORKS, THE SIMMERING RAILWAY CAR FACTORY, JUDENBURG STEEL WORKS AND VIENNA PAUKER WORKS.

JH003AED

1938

Schuschnigg's Marriage Held Invalid by Nazis

Buerckel Repudiates Proxy Wedding and Asserts Ex-Chancellor Will Be Tried for 'Judicial Murders'

VIENNA, June 30 (AP).—Joseph Buerckel, German High Commissioner for annexed Austria, asserted today that, so far as the Nazi regime was concerned, Kurt Schuschnigg, deposed Austrian Chancellor, was not a married man.

(An Associated Press dispatch from Vienna on June 3 reported that Schuschnigg and Countess Vera Fugger von Babenhausen had been married by proxy in a Catholic ceremony, which Schuschnigg could not attend because of his detention.)

"But even if he were married," Buerckel added in a conference with newspaper correspondents, "it would not permit him to enjoy privileges which other persons under arrest do not enjoy."

"Schuschnigg will in all likelihood be brought to trial on a charge of permitting or being responsible for 'judicial murders,'" Buerckel said, referring to what the Nazis have called miscarriages of justice in which the accused were put to death. "Our Fuehrer in a Reichstag speech, however, promised that his life would be spared."

Buerckel assured the newspaper men that Schuschnigg was still in Vienna and had three rooms to live in. He declined, however, to permit correspondents to visit the place of detention.

Some one asked why Schuschnigg was not freed, since, as the Nazis say, he is no longer dangerous.

"It is not a question of danger but justice," Buerckel replied. "I deem it desirable that the whole Schuschnigg question be clarified in the direction of criminal aspects. You would be surprised if you knew what I know."

A member of Buerckel's staff said the Catholic Diocese of Vienna also did not recognize Schuschnigg's marriage as valid.

Proxy Marriages Recognized

Roman Catholic canon law recognizes a marriage in which one of the principals is represented by a proxy, provided the commission or mandate from the absentee is properly executed and the marriage is carried out as specified in the mandate. The mandate must be in writing and must name two persons to witness the ceremony and name the other party to the marriage. The mandate itself must be witnessed by two persons and by the priest of the parish where it is ex-

ecuted.

The Associated Press reported that the marriage of Schuschnigg and the Countess took place in the private chapel of the Dominican Church in downtown Vienna, with his brother, Dr. Arthur Schuschnigg, acting as proxy. Major General Arthur von Schuschnigg, the former Chancellor's father, was witness for the bride, and the bridegroom's witness was the sacristan of the church. It was reported that the Countess received a letter from the bridegroom which said: "By this time we should be man and wife. This makes me extremely happy. A thousand kisses. Kurt."

The thirty-four-year-old Countess, considered one of Vienna's most beautiful women, was Schuschnigg's daily companion during his confinement by the Nazis at Belvedere Palace until his removal to an undisclosed place a week before the wedding. The first marriage of the Countess, mother of four children, was annulled by the Vatican on December 16, 1937, for reasons not given. Schuschnigg's first wife was killed in an automobile accident in 1935, leaving him one son.

VIENNA, JUNE 30—(AP)—**JOSEPH BUERCKEL, CHANCELLOR ADOLF HITLER'S CHIEF REPRESENTATIVE IN AUSTRIAN GERMANY, IN AN EXTENSIVE INTERVIEW TODAY CLARIFIED THE POSITION OF THE NAZI GOVERNMENT.**

THESE WERE AMONG THE POINTS HE MADE:

KURT SCHUSCHNIGG, DEPOSED AUSTRIAN CHANCELLOR, IS NOT A MARRIED MAN IN THE EYES OF THE NAZI REGIME. (INFORMED VIENNA SOURCES REPORTED JUNE 3 THAT SCHUSCHNIGG AND COUNTESS VERA FUGGER VON BABENHAUSEN HAD BEEN MARRIED WITH SCHUSCHNIGG'S BROTHER AS PROXY, SCHUSCHNIGG HIMSELF BEING UNDER DETENTION.)

ALL THE PROPERTY OF MEMBERS OF THE AUSTRIAN BRANCH OF THE ANCIENT HAPSBURG FAMILY, ONE-TIME POWERFUL RULERS OF CENTRAL EUROPE, WILL BE CONFISCATED BY A DECREE TO BE PUBLISHED SOON.

BARON LOUIS ROTHSCHILD, OF THE FAMOUS INTERNATIONAL BANKING FAMILY, IS STILL UNDER ARREST, AND EFFORTS TO REACH AN AGREEMENT REGARDING HIS PROPERTIES ARE CONTINUING (BARON ROTHSCHILD WAS REPORTED ARRESTED SHORTLY AFTER GERMANY TOOK OVER AUSTRIA MARCH 13.) AUSTRIA IS HAPPY UNDER THE NAZI REGIME, AND "FORMER COMMUNIST WORKERS NOW ARE THE STAUNCHEST DEFENDERS OF NAZISM."

WHILE JEWISH WORKERS SHOULD NOT ON PRINCIPLE BE REMOVED FROM

THEIR JOBS, STILL THEY CANNOT EXPECT SPECIAL CONSIDERATION SO LONG AS GENTILES ARE UNEMPLOYED.

SCHUSCHNIGG, SAID BUERCKEL, HITLER'S HIGH COMMISSIONER FOR AUSTRIA, PROBABLY WILL BE BROUGHT TO TRIAL ON A CHARGE OF PERMITTING OR BEING RESPONSIBLE FOR "JUDICIAL MURDERS" (MEANING MISCARRIAGES OF JUSTICE IN WHICH VICTIMS SUFFERED THE DEATH PENALTY.)

"OUR FUHRER," HE SAID, "IN A REICHSTAG SPEECH HAS PROMISED, HOWEVER, THAT HIS LIFE WOULD BE SPARED."

BUERCKEL SAID SCHUSCHNIGG STILL WAS IN VIENNA, THAT HE HAD THREE ROOMS AT HIS DISPOSAL AND THAT HE WAS WELL TREATED. HE DECLINED TO ALLOW JOURNALISTS J TO SCHUSCHNIGG'S PLACE OF DETENTION.

FIGURES CONCERNING ARRESTS IN AUSTRIA HAVE BEEN GREATLY EXAGGERATED, BUERCKEL SAID, ADDING THAT AT PRESENT THERE ARE 3,000, ABOUT ONE-HALF OF THEM BEING JEWS, IN "PROTECTIVE CUSTODY" OR UNDER ARREST FOR POLITICAL OFFENSES. RADE HAD NOTHING TO DO WITH THE ARRESTS, HE SAID?

LONDON, JUNE 30.—(AP)—**SIR JOHN SIMON, CHANCELLOR OF THE EXCHEQUER, TODAY GAVE WARNING IN THE HOUSE OF COMMONS THAT "THOSE WHO FROM NOW ONWARD BUY AUSTRIAN OR GERMAN BONDS FROM FOREIGN HOLDERS DO SO AT THEIR OWN RISK."**

HE SAID HE EXPECTED TO MAKE A STATEMENT SOON ON LONDON NEGOTIATIONS

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